



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



Serving the San Mateo County Community

August 31, 2021

California Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

Advice Letter 15-E
(Peninsula Clean Energy Authority)

Advice Letter 6313-E
(Pacific Gas and Electric Company ID U 39 M)

**RE: PROPOSED CAPACITY TRANSFER UNDER THE DISADVANTAGED
COMMUNITIES GREEN TARIFF PROGRAM TO ACCOMMODATE SERVICE TO
THE CITY OF LOS BANOS**

PURPOSE

Peninsula Clean Energy Authority (“PCE”) and Pacific Gas and Electric Company (“PG&E”) (collectively the “Joint PAs”) hereby jointly submit this Advice Letter (“AL”) to propose a transfer of capacity allocation between PCE and PG&E under the Disadvantaged Communities Green Tariff (“DAC-GT”) program. The transfer is necessary in order to accommodate current DAC-GT customers in the city of Los Banos when PCE expands its service in 2022.

TIER DESIGNATION

Pursuant to General Order (“GO”) 96-B and Energy Industry Rule 5.2, this AL is submitted with a Tier 2 designation.

EFFECTIVE DATE

The Joint PAs request that this AL become effective on September 30, 2021, which is thirty (30) calendar days after the date of submittal.

BACKGROUND

On June 22, 2018, the California Public Utilities Commission (“Commission”) issued Decision (“D.”) 18-06-027 adopting three new programs to promote the installation of renewable generation among

residential customers in disadvantaged communities (“DACs”),¹ as directed by the California Legislature in Assembly Bill (“AB”) 327.² The three programs include the DAC Single Family Solar Homes (“DAC-SASH”) program, which provides up-front incentives for the installation of solar at low-income homes in DACs. The other two programs, the DAC-GT and the Community Solar Green Tariff (“CSGT”) programs, are community solar programs that offer 100% renewable energy to residential customers and provide a 20% discount on the electricity portion of the customers’ bills.

On August 20, 2018, PG&E submitted its initial AL to implement the DAC-GT and CSGT programs (PG&E AL 5362-E). On February 13, 2019, PG&E submitted a supplemental AL to address modifications made to the DAC-GT and CSGT programs in subsequent Commission decisions as well as to address issues raised in protests (PG&E AL 5362-E-A). On June 3, 2019, the Commission approved, with modification, PG&E’s program implementation AL in Resolution E-4999.

Pursuant to D.18-06-027, Community Choice Aggregators (“CCAs”) may also develop and implement their own DAC-GT and CSGT programs.³ D.18-06-027 provides that CCAs must submit a Tier 3 AL to implement the CCA DAC-GT and CSGT programs (“Implementation AL”).⁴ Accordingly, PCE submitted its Tier 3 Implementation AL on December 22, 2020 to create DAC-GT and CSGT programs (PCE AL 11-E). On April 15, 2021, the Commission issued Resolution E-5124, which approved PCE’s DAC-GT and CSGT Implementation AL with modifications.⁵

Resolution E-4999 allocated 0.900 MW, a portion of PG&E’s program capacity, to PCE to administer PCE’s DAC-GT program based on the proportional share of residential customers in DACs that PCE serves in San Mateo County.⁶ Resolution E-4999 also allowed CCAs to trade capacity as long as they serve customers in the same investor-owned utility (“IOU”) territory.⁷ However, Resolution E-4999 deferred guidance on how to address CCA expansion.⁸

In Resolution E-5124, the Commission approved the transfer of 0.336 MW from other CCA allocations to PCE that, when combined with PCE’s original allocation in Resolution E-4999, resulted in total program capacity of 1.236 MW for PCE.⁹ Neither Resolution addressed the addition of DAC census tracts in PCE territory or any other CCA as a result of service expansion.

¹ DACs are defined under D.18-06-027 as communities that are identified in the CalEnviroScreen 3.0 as among the top 25 percent of census tracts statewide, plus the census tracts in the highest five percent of CalEnviroScreen’s Pollution Burden that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data. Resolution E-4999 clarified that Program Administrators must file a Tier 1 AL to update program eligibility rules within 30 days of a new release of the CalEnviroScreen tool.

² AB 327 (Perea), Stats. 2013, ch 611.

³ D.18-06-027 at 104 (Ordering Paragraph (“OP”) 17).

⁴ *Id.*

⁵ Resolution E-5124 at 32 (OP 1).

⁶ Resolution E-4999 at 13.

⁷ *Id.* at 16 and 54.

⁸ *Id.* at 17-18.

⁹ Resolution E-5124 at 18.

As explained in its Implementation AL, PCE is expanding its service area to incorporate the city of Los Banos, and PCE will begin serving Los Banos customers in April 2022.¹⁰ Eligibility in a DAC-GT program is limited to those customers who are receiving generation service from the program administrator. As such, Los Banos customers currently enrolled in PG&E's DAC-GT program would no longer be able to participate in PG&E's program once they begin receiving PCE generation service. Further, the current amount of DAC-GT program capacity allocated to PCE is not sufficient to accommodate the transfer of incoming Los Banos customers who are already enrolled in PG&E's DAC-GT program. As a result, unless a transfer of DAC-GT capacity occurs between PG&E and PCE, Los Banos customers enrolled in PG&E's DAC-GT program face the potential loss of DAC-GT program enrollment and the loss of the 20% bill discount upon taking service from PCE.

As noted previously, the general issue of capacity reallocation is expected to be determined by the Commission during the January 1, 2022 IOU Applications for Review or the next Independent Evaluation of the DAC-GT and CSGT programs.¹¹ However, this timing will be too late to address the specific transfer needed to accommodate the enrollment of Los Banos customers. PCE anticipated this transfer in its Implementation AL, and explained to the Commission that PCE was working with PG&E to discuss how to transfer Los Banos customers that are enrolled in PG&E's DAC-GT program to PCE's DAC-GT program without disrupting the customers' receipt of bill credits or otherwise negatively affecting the customers' ability to receive service from PCE.¹²

PROPOSED CAPACITY TRANSFER AND IMPLEMENTATION

The Joint PAs have collaborated over the past several months on this program capacity issue and reached a consensus on the best path forward. PG&E has identified 375 participants in PG&E's DAC-GT program in Los Banos. Based on historical usage data, PG&E and PCE calculate that PCE may require up to 2.5 MW of additional program capacity to serve the 375 Los Banos customers. In order to allow these Los Banos customers to continue to benefit from the DAC-GT program once they are enrolled in PCE's generation service, PG&E has agreed to transfer up to 2.5 MW of its DAC-GT capacity allocation to PCE.

The Joint PAs propose to submit a "true-up" Tier 1 AL to account for the possibility that the needed capacity transfer may be slightly more or less than 2.5 MW. The AL would be submitted 90 days after the opt-out period closes for PCE's CCA program expansion. The Joint PAs recognize that there is the potential for DAC-GT customers to lose their bill discount if they opt out of PCE's CCA program and are subsequently unable, because of PG&E's reduced program capacity allocation, to re-enroll in PG&E's DAC-GT program. In addition to opt outs, the needed capacity transfer at the time of PCE's expansion could also vary due to changes in DAC-GT enrollment and usage data between the time of this AL and the completion of PCE's expansion in spring 2022. The true-up AL will provide the Commission with a full accounting of the capacity transfer. Submitting a true-up AL after the opt-out period for PCE's CCA program expansion will better ensure that all Los Banos customers

¹⁰ PCE AL 11-E at 14.

¹¹ Resolution E-5124 at 30 (Findings and Conclusions 19).

¹² PCE AL 11-E at 14.

currently enrolled in PG&E's DAC-GT program will be able to continue to participate in the program regardless of their generation provider.

In the intervening period, PG&E's DAC-GT budget set-aside request in its November update to the 2022 Energy Resource Recovery Account forecast will reflect the expected transfer of both customers and program capacity to PCE, and future PG&E DAC-GT solicitations will reflect the impact of this capacity transfer.

The Joint PAs acknowledge that the issue of capacity reallocation due to CCA expansion is to be addressed by the Commission during the January 1, 2022 IOU Applications for Review or the next Independent Evaluation of the DAC-GT and CSGT programs. Therefore, the Joint PAs' proposal contained in this Tier 2 AL is intended only to serve as a solution to this instant case, and is not intended to be a durable solution to address broader questions on the expansion of CCA service territories and how such expansions may impact DAC-GT programs.

The Joint PAs hereby submit this Tier 2 AL to transfer DAC-GT program capacity between PG&E and PCE to address the unique circumstance associated with PCE expanding service to Los Banos. To reflect various changes to program implementation details associated with this capacity transfer, PCE has updated several of its program documents ("Updated Program Documents"), attached to this filing as appendices.

The following appendices are included as a part of this AL:

1. Appendix A: Updated PCE program budgets for program years ("PY") 2021 and 2022;¹³
2. Appendix B: Updated PCE marketing, education, and outreach ("ME&O") plan for PYs 2021 and 2022;
3. Confidential Appendix C: PCE workpapers supporting the calculation of the generation cost delta and the 20% bill discount; and
4. Appendix D: Updated PCE solicitation materials.¹⁴

Resolution E-5124 ordered PCE to issue its first Request for Offers ("RFO") within 60 days of the issuance of the Commission's approval of the solicitation documents. The Commission's Energy Division issued a disposition letter, effective July 9, 2021, approving PCE's solicitation documents. Therefore, under Resolution E-5124 PCE must issue its RFO by September 7, 2021. However, if PCE were to issue its RFO by September 7, 2021, the RFO would not account for the capacity transfer contemplated in this AL, and PCE would have to issue a second RFO once the capacity transfer is approved. To address this inefficiency, PCE submitted a letter to the Commission's Executive Director, dated August 25, 2021, requesting an extension of the RFO deadline. If PCE postpones

¹³ Pursuant to Resolution E-5124, PCE submitted revised budget estimates for PYs 2021 and 2022 on June 14, 2021 (PCE AL 14-E).

¹⁴ On June 9, 2021, PCE submitted its solicitation materials for the DAC-GT and CSGT programs to the Commission via a Tier 2 AL (PCE AL 13-E).

issuance of the RFO until the capacity transfer is approved, PCE will be able issue a single RFO that includes the updated capacity allocation and save both time and resources.

The Joint PAs respectfully request that the Commission:

1. Approve PG&E's DAC-GT capacity allocation transfer of up to 2.5 MW to PCE;
2. Approve the Updated PCE Program Documents; and
3. Authorize the Joint PAs to submit a Tier 1 AL within 90 days after the opt-out period for PCE's CCA program expansion with a final MW capacity transfer.

REQUEST FOR CONFIDENTIAL TREATMENT

In support of this AL, PCE is providing certain confidential information that is contained in Confidential Appendix C, which includes protected market sensitive/competitive data and corporate financial records. PCE requests confidential treatment of this information and provides the basis for this request in a confidentiality declaration submitted concurrently with this AL. PG&E has not reviewed this confidential information and has no need to do so. The confidential information can be made available to non-market participants as required by D.20-07-005 after they have executed a nondisclosure agreement with PCE. To execute a nondisclosure agreement, please contact Jeremy Waen at jwaen@peninsulacleanenergy.com.

CONCLUSION

The Joint PAs respectfully request that the Commission approve the transfer of DAC-GT program capacity from PG&E to PCE in order to accommodate PCE's service of customers in Los Banos, as contemplated in PCE's Implementation AL.

NOTICE

A copy of this AL is being served on the official Commission service list for R.14-07-002.

For changes to this service list, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

PROTESTS

*****Due to the COVID-19 pandemic and shelter-at-home orders, the Joint PAs are currently unable to receive protests or responses to this AL via U.S. Mail or fax. Please submit protests or responses to this AL to EDTariffUnit@cpuc.ca.gov, jwaen@peninsulacleanenergy.com, mrutherford@peninsulacleanenergy.com, and PGETariffs@pge.com.*****

Anyone wishing to protest this AL may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this AL. Protests should be mailed to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Copies of the protest should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this AL should be sent by letter or transmitted electronically to the attention of:

For PCE:

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, CA 94061
Email: jwaen@peninsulacleanenergy.com

Matthew DS Rutherford
Senior Regulatory Analyst
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, CA 94061
Email: mrutherford@peninsulacleanenergy.com

For PG&E:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177
E-mail: PGETariffs@pge.com

There are no restrictions on who may submit a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

CORRESPONDENCE

For questions regarding this AL, please contact Jeremy Waen, Matthew Rutherford, and Larsen Plano by electronic mail at jwaen@peninsulacleanenergy.com, mrutherford@peninsulacleanenergy.com, and Larsen.plano@pge.com.

/s/ Jeremy Waen

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority

cc: Service List: R.14-07-002

Declaration of Jeremy Waen Supporting Confidentiality Claim for Submission of Peninsula Clean Energy Authority Advice Letter 15-E, Proposed Capacity Transfer Under the Disadvantaged Communities Green Tariff Program to Accommodate Service to the City of Los Banos

In accordance with General Order 66-D, Decision (“D.”) 06-06-066, D.08-04-023, and D.20-07-005 for the submission of confidential information to the California Public Utilities Commission (“Commission”) in an Advice Letter (“AL”) submission, Peninsula Clean Energy Authority (“PCE”) submits the following declaration in support of its claim of confidentiality for the below-specified information provided in PCE Advice Letter 15-E: *Proposed Capacity Transfer Under the Disadvantaged Communities Green Tariff Program to Accommodate Service to the City of Los Banos* (“PCE AL 15-E”).

The undersigned declares, under penalty of perjury, as follows:

1. In my capacity as the Director of Regulatory Policy, I have knowledge of the information provided in this declaration and am authorized to make this declaration on PCE’s behalf by PCE’s Chief Executive Officer, Jan Pepper.
2. In this Advice Letter Submission, PCE is securely and confidentially uploading the following documents to the Energy Division through the Commission’s File Transfer Protocol (“FTP”) system:
 - a. “PCE AL 15-E – Confidential”
 - b. “PCE Confidentiality Declaration”
3. In this Advice Letter Submission, PCE is publicly submitting the following documents to the Energy Division and the service list for Rulemaking 14-07-002 via email:
 - a. “PCE AL 15-E – Public”
 - b. “PCE Confidentiality Declaration”
4. Through this declaration, PCE requests that the “Confidential Appendix C – Workpapers Supporting the Calculation of the Generation Cost Delta and the 20% Bill Discount,” be treated as confidential and kept under seal.
5. This request for confidentiality is being made pursuant to the requirements and authority of Commission Decisions 06-06-066, 08-04-023, and 20-07-005, Commission General Order 66-D, California Civil Code 3426, California Evidence Code 1060, and California Government Code Sections 6254(k), 6255(a).

6. The attached “Table of Confidential Information” identifies the specific information that is subject to this confidentiality request, provides specific citations to the authority upon which each request is based, provides a granular justification for confidential treatment, and specifies the length of time that the information is to be kept confidential.
7. PCE is complying with the limitations on confidentiality specified in the D.06-06-066 Matrix (as amended by subsequent decisions) for the types of data being submitted subject to a request for confidentiality.
8. To the best of my knowledge, the information being submitted subject to this request for confidentiality is not already public. Pacific Gas and Electric Company did not review any of the material included in Confidential Appendix C.
9. As set forth below, Confidential Appendix C contains confidential and highly market-sensitive supporting documentation for PCE AL 15-E.
10. Confidential Appendix C cannot be aggregated, redacted, summarized, masked, or otherwise protected in a way that allows partial disclosure.
11. The following person is designated as the person for the Commission to contact regarding potential release of this information by the Commission:

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, California 94061
jwaen@peninsulacleanenergy.com

Executed on August 31, 2021 at Redwood City, California

 /s/ Jeremy Waen

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority

TABLE OF CONFIDENTIAL INFORMATION

PCE Advice Letter 15-E:

Peninsula Clean Energy Authority’s Proposed Capacity Transfer Under the Disadvantaged Communities Green Tariff Program to Accommodate Service to the City of Los Banos

Redaction Reference	Authority For Confidentiality Request	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
<p>Confidential Appendix C – Workpapers Supporting the Calculation of the Generation Cost Delta and the 20% Bill Discount</p>	<p>ESP/CCA Matrix, Items II(A), (B)</p> <p>Commission General Order 66-D</p> <p>California Civil Code 3426</p> <p>California Government Code Sections 6254(k), 6255(a)</p> <p>California Evidence Code 1060</p>	<p>Appendix C contains information regarding PCE’s forecasted need for energy and resource adequacy capacity. This information falls into the identified protected categories in the ESP/CCA Matrix.</p> <p>Additionally, Appendix C contains information regarding PCE’s market position and price-related information. This information must be protected as market-sensitive and/or trade secret information. Even if no other authority applied to protect this information, the Commission must protect this information because the public interest in protecting the information clearly outweighs the public interest in disclosure. Disclosure here could provide valuable market sensitive information to market participants, erode PCE’s current or future contract negotiations, and create distortions in the resource adequacy and energy markets. In contrast, the public interest is minimal in public disclosure of pricing, forecasting, and procurement data for a single load serving entity.</p>	<p>Under Item II(A), (B), data is confidential for the first 3 years of the forecast period.</p>

APPENDIX A

**Disadvantaged Communities GreenTariff Program and
Community Solar Green Tariff Program Budget Forecast for
Program Years 2021 and 2022**

Proposed by Peninsula Clean Energy Authority



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1. PURPOSE

Pursuant to Ordering Paragraph (“OP”) 17 of California Public Utilities Commission (“Commission” or “CPUC”) Decision (“D.”) 18-06-027, *Alternate Decision Adopting Alternatives to Promote Solar Distributed Generation in Disadvantaged Communities*, issued in Rulemaking 14-07-002 on June 22, 2018, and Resolution E-4999, issued on June 3, 2019, Community Choice Aggregators (“CCAs”) may develop and implement their own Disadvantaged Communities Green Tariff (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) programs via a Tier 3 Advice Letter (“Implementation AL”). Peninsula Clean Energy Authority (“PCE”) submitted its Implementation AL on December 22, 2020 to create DAC-GT and CSGT programs (PCE AL 11-E). As part of its Implementation AL, PCE included budget forecasts for Program Years (“PYs”) 2021 and 2022.¹

On April 15, 2021, the Commission issued Resolution E-5124, approving PCE’s Implementation AL with modifications.² In Resolution E-5124, the Commission directed PCE to submit updated budget forecasts for PYs 2021 and 2022 via a Tier 1 Advice Letter (“AL”) to reflect the changes made in Resolution E-5124 to CCA Implementation ALs and budgets.³ Accordingly, PCE submitted its Tier 1 revised budget AL on June 14, 2021 (“Budget Compliance AL”).

As explained in the Capacity Reallocation AL to which this appendix is attached, PCE is expanding its service area to incorporate the city of Los Banos, and PCE will begin serving Los Banos customers in April 2022.⁴ Eligibility in a DAC-GT program is limited to those customers who are receiving generation service from the program administrator. However, the current amount of DAC-GT program capacity allocated to PCE is not sufficient to accommodate the transfer of incoming Los Banos customers who are currently enrolled in Pacific Gas and Electric Company’s (“PG&E”) DAC-GT program. In order to allow these Los Banos customers to continue to benefit from the DAC-GT program once they are enrolled in PCE’s generation service, PG&E has agreed to transfer up to 2.5 MW of its DAC-GT capacity allocation to PCE. This capacity transfer has resulted in changes to PCE’s budget forecast for PYs 2021 and 2022, discussed further below.

PCE requests that the Commission approve the revised budgets proposed herein and that the Commission direct PG&E to transfer funds sufficient to meet PCE’s approved annual budgets per the funding mechanisms discussed below.

2. BACKGROUND

Per Resolution E-4999, estimated budget forecasts must be presented by program and include the following budget line items:⁵

¹ In future PYs, the annual program budget will also include actual program costs from the previous PY, as well as a reconciliation of forecasted versus actual costs.

² Resolution E-5124 at 32 (OP 1).

³ *Id.* at 33 (OP 6).

⁴ PCE AL 11-E at 14.

⁵ A detailed description of each budget line item can be found in PCE’s Implementation Plan,

1. Generation cost delta,⁶ if any;
2. 20% bill discount for participating customers;
3. Program administration costs, including:
 - a. Program management;
 - b. Information technology (“IT”);
 - c. Billing operations;
 - d. Regulatory compliance; and
 - e. Procurement
4. Marketing, education, and outreach (“ME&O”) costs, including:
 - a. Labor costs;
 - b. Outreach and material costs; and
 - c. Local Community Based Organization/sponsor costs for the CSGT program
5. Program Evaluation Costs.

In addition to budget forecasts, annual program budget submissions must also include details on program capacity and customer enrollment numbers for both programs. More specifically, PCE must report on:

1. Existing capacity at the close of the previous PY;
2. Forecasted capacity for procurement in the upcoming PY;
3. Customers served at the close of the previous PY; and
4. Forecasted customer enrollment for the upcoming PY.

Finally, Confidential Appendix C contains the following information:

1. Workpaper for the calculation of the generation cost delta; and
2. Workpaper for the calculation of the 20% bill discount to participating customers.

For the reasons set forth in the attached declaration of Jeremy Waen, these two workpapers are confidential, not included in the public versions of this Advice Letter, and will only be made available to those who execute a nondisclosure agreement. Further information on how to execute a nondisclosure agreement can be found in the cover letter of this Advice Letter.

Supporting worksheets used in substantiating cost estimates, including direct labor, management and/or supervisor costs, and any vendor costs, along with a breakdown of staff or contractor position descriptions, loaded hourly rates, and total hours anticipated for each task, will be provided if available.

submitted in Appendix A to the Implementation Advice Letter.

⁶ Resolution E-4999 establishes that *above market* generation costs should include net renewable resource costs in excess of the otherwise applicable class average generation rate that will be used to calculate the customers’ bills. In conversations with the Commission’s Energy Division after the release of Resolution E-4999, it was clarified that this budget line item is intended to cover both a potential higher, as well as lower, cost of the DAC-GT/CSGT resources than the otherwise applicable class average generation rate. Hence, the term is updated to state the “*Delta of generation costs between the DAC-GT/CSGT resources and the otherwise applicable class average generation rate.*”

3. BUDGET FORECAST FOR PY 2021 and 2022

For PYs 2021 and 2022, PCE requests a total budget of \$1,514,311.20 for the DAC-GT and CSGT programs. A detailed budget forecast for each program and PY by budget line item can be found in the figure below.

Figure 1: PCE Budget Forecast for PYs 2021 and 2022

Tab	Category	DAC-GT			CSGT			
		2021	2022	Total	2021	2022	Total	
1	Generation Cost Delta	\$ -	\$ 541,392.33	\$ 541,392.33	\$ -	\$ 31,665.77	\$ 31,665.77	
2	20% Bill Discount	\$ -	\$ 155,121.90	\$ 155,121.90	\$ -	\$ 6,096.95	\$ 6,096.95	
	Program Administration							
3a	Program Management	\$ 61,406.25	\$ 60,468.75	\$ 121,875.00	\$ 61,406.25	\$ 60,468.75	\$ 121,875.00	
3b	Information Technology	\$ 49,731.25	\$ 26,527.34	\$ 76,258.59	\$ 13,581.25	\$ 20,227.34	\$ 33,808.59	
3c	Billing Operations	\$ 7,591.26	\$ 16,093.47	\$ 23,684.73	\$ 1,939.99	\$ 4,112.78	\$ 6,052.77	
3d	Regulatory Compliance	\$ 7,625.00	\$ 16,015.00	\$ 23,640.00	\$ 7,625.00	\$ 16,015.00	\$ 23,640.00	
3e	Procurement	\$ 52,175.00	\$ 44,165.00	\$ 96,340.00	\$ 52,175.00	\$ 44,165.00	\$ 96,340.00	
3f	CCA Integration	\$ 15,870.00	\$ 31,014.00	\$ 46,884.00	\$ -	\$ 31,014.00	\$ 31,014.00	
	Subtotal Program Administration	\$ 178,528.76	\$ 163,269.57	\$ 341,798.33	\$ 136,727.49	\$ 144,988.87	\$ 281,716.36	
4	Marketing, Education & Outreach	\$ 58,586.69	\$ 19,673.09	\$ 78,259.78	\$ 58,586.69	\$ 19,673.09	\$ 78,259.78	
5	EM&V	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total	\$ 237,115.45	\$ 879,456.89	\$ 1,116,572.34	\$ 195,314.18	\$ 202,424.69	\$ 397,738.86	\$ 1,514,311.20

PCE provides the following clarifying notes regarding the budget summary.

Generation Cost Delta

PCE's Budget Compliance AL anticipated securing an interim resource by October 2021 in the interest of quickly offering the DAC-GT program to its customers and providing customers with the 20% bill discount while PCE conducts its solicitation to secure a permanent resource. The Budget Compliance AL also anticipated securing a permanent resource for the CSGT program in July 2022. However, as previously discussed, the Capacity Reallocation AL requests 2.5 MW of capacity to be transferred from PG&E's DAC-GT program to PCE's DAC-GT program in order to serve customers in Los Banos. To provide additional time for review and approval of the Capacity Reallocation AL, PCE has extended its procurement forecast timeline. Consequently, PCE has revised its PYs 2021 and 2022 budget forecasts to reflect this extended timeline.

The attached budget assumes DAC-GT delivery from an interim resource in January 2022 and securing a permanent resources for the DAC-GT and CSGT programs in September 2022. To accommodate time for the Commission to address the capacity transfer, PCE has also submitted a separate letter to the CPUC Executive Director for an extension on the issuance of its solicitation to procure permanent resources for both the DAC-GT and CSGT programs ("Solicitation Extension Request Letter").

PCE has not yet contracted for an interim resource for the DAC-GT program or permanent resource to serve either the DAC-GT or CSGT programs, therefore the generation cost delta budget forecast for the DAC-GT and CSGT programs is based on the cost of a generic project that is sized to match the program criteria. The extended procurement timeline reduces the costs of the programs in the near term and the additional capacity leads to net increases in the cost to operate PCE's programs in the long term. As such, the DAC-GT budget herein includes a decrease in the generation cost delta in PY 2021 from \$15,971.33 to forecasted cost of \$0.00, and an increase in the generation cost delta in PY 2022 from \$221,514.70 to forecasted cost of \$541,392.33. The CSGT generation cost delta forecast remains unchanged for PY 2021 and includes a decrease in PY 2022 from \$34,604.54 to \$31,665.77.

20% Bill Discount

The budget revisions proposed herein are also in part due to changes in the number of customers that will participate in PCE's DAC-GT program and adjustments to the timeline to procure permanent resources to serve both the DAC-GT and CSGT programs.

PCE's Budget Compliance AL did not include the costs to provide the 20% bill discount to the additional participating customers that live in Los Banos. The review and approval of PCE's Capacity Reallocation AL and PCE's Solicitation Extension Request Letter means that PCE will not be able to deliver bill discounts through either of the programs as soon as originally anticipated. This is because PCE is requesting an extension of the deadline set to issue its Request for Offers for permanent resources until the additional DAC-GT capacity is approved, which would concurrently delay the procurement of a

permanent resource for the CSGT program until later in 2022 than originally anticipated. Figure 1 and Figure 2 assume delivery of DAC-GT bill credits from an interim resource in January 2022 and securing a permanent resources for the DAC-GT and CSGT programs in September 2022.

For the DAC-GT program, the two changes discussed above (additional DAC-GT customers and extended timelines for delivering customer discounts) result in a net decrease to the bill discount forecast for PY 2021 from \$4,572.71 to \$0.00 and a net increase in the bill discount forecast in PY 2022 from \$63,469.28 to \$155,121.90. For the CSGT program, the extended timeline for delivery of bill discounts to customers does not impact the PY 2021 forecast and results in a net decrease to the bill discount forecast from \$9,907.55 to \$6,096.95 in PY 2022.

4. BUDGET CAPS

Resolution E-4999 establishes a budget cap of 10% of the total budget for program administration costs and a budget cap of 4% of the total budget for ME&O costs.⁷ However, administrative and ME&O costs may be higher than these budget allocations in the first two years of program implementation (i.e., PYs 2021 and 2022 for PCE) in order to account for higher start-up costs.⁸ PCE will include information on budget caps in subsequent submissions of its Annual Budget Advice Letter if necessary.

5. PROGRAM CAPACITY AND ENROLLMENT NUMBERS

PCE reports forecasted program capacity and customer enrollment numbers for PYs 2021 and 2022 in the figure below. PCE is unable to report on existing program capacity and customer enrollment numbers to date as the DAC-GT and CSGT programs have not yet launched.

For PY 2021, PCE is not forecasting any program capacity and enrollment numbers for the DAC-GT program or the CSGT program in anticipation of additional time to review the Capacity Reallocation AL. PCE anticipates that it will procure new solar resources to serve the two programs in 2022.

Figure 2: Program Capacity and Enrollment Count for DAC-GT and CSGT

Category	DAC-GT		
	2021	2022	Total
Estimated capacity to be procured (MW)	0	3.736	3.736
Estimated customer enrollment (#)	0	780	780

Category	CSGT		
	2021	2022	Total
Estimated capacity to be procured (MW)	0	0.4025	0.4025
Estimated customer enrollment (#)	0	125	125

⁷ Resolution E-4999 determined that Program Administrators can submit a Tier 3 AL requesting an adjustment to the budget allocations if the need arises. See Resolution E-4999 at 67 (OP 2).

⁸ *Id.*

6. CONCLUSION

PCE respectfully requests the Commission approve the budgets proposed herein and direct PG&E to transfer funds sufficient to meet PCE's approved annual budgets per the funding mechanisms discussed above.

APPENDIX B

**Marketing Education and Outreach Plan for the Disadvantaged
Communities Green Tariff and Community Solar Green Tariff
Programs for Program Years 2021 and 2022**

Proposed by Peninsula Clean Energy Authority



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A. Purpose and Goals

Peninsula Clean Energy Authority (PCE) will develop and implement a targeted customer marketing, education, and outreach (ME&O) campaign to ensure potential customers in disadvantaged communities (DACs) are aware of the opportunity to benefit from the Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs. PCE's ME&O strategy has four main goals:

1. Enroll eligible customers in the DAC-GT and CSGT programs;
2. Increase awareness of and enrollment in California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) discount programs;
3. Increase customer awareness of energy use, savings, and other customer incentives, rate options (i.e., time-of-use), discounts, or programs; and
4. Conduct research, as needed, on barriers to participation and ensure outreach to DAC and hard-to-reach customers is accessible and equitable.

Throughout this process, PCE aims to achieve meaningful and diverse customer engagement through a culturally-competent, multilingual approach. To achieve these goals, PCE will develop a targeted customer engagement campaign that leverages community-based marketing best practices such as:

- A mix of multilingual and culturally-competent communications including community advertising (e.g., banners, newsprint), geo-targeted digital ads, and direct mail; and
- Direct customer outreach and partnerships with community-based organizations (CBOs), and local government agencies.

Ultimately, PCE will measure program success by the number of customers enrolled in the DAC-GT and CSGT programs. We will also measure program success by the overall number of customers reached, and the diversity of customers reached.

The following subsections provide additional details about PCE's ME&O approach for the DAC-GT and CSGT programs.

B. Guiding Principles

PCE is committed to developing diverse and culturally appropriate communication strategies to ensure that stakeholders can participate in decisions and actions that impact their communities. As such, PCE commits to the following guiding principles throughout the ME&O engagement process for the DAC-GT and CSGT programs. PCE aims to:

- Achieve diverse and meaningful engagement that reflects the demographics of DACs to ensure equitable outreach across race, income and age barriers;

- Maintain transparency and accessibility of information by bringing the information directly to customers in their neighborhood, in their community, or interest space to better engage them in the process; and
- Build a collaborative process with community partners to ensure barriers and benefits to participation are considered in ME&O activities to the maximum extent possible.

C. Target Audience

Given enrollment specifications around the programs, the primary target audience for the ME&O strategy are customers living in DACs per CalEnviroScreen. In PCE’s service area, this includes customers in the following neighborhoods¹:

Figure 1: Qualifying Neighborhoods in PCE Service Territory

Census Tract	Nearby City (to approximate location only)	Zip	California County
6081602100	South San Francisco	94080	San Mateo
6081602300	South San Francisco	94080	San Mateo
6081604200	San Bruno	94066	San Mateo
6081612000	East Palo Alto	94303	San Mateo
6081610201	Redwood City	94063	San Mateo
6081611900	East Palo Alto	94303	San Mateo
6047002201	Los Banos	93635	Merced County
6047002202	Los Banos	93635	Merced County

¹ Source: SB535 Disadvantaged Communities using CalEnviroScreen 3.0 June 2018 Update (available at <https://oehha.maps.arcgis.com/apps/View/index.html?appid=c3e4e4e1d115468390cf61d9db83efc4>).

6047002302	Los Banos	93635	Merced County
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D. ME&O Tactics and Strategies

1. Communications and Media Content

A variety of communications and media content will be necessary to promote the programs. This material will be translated and improved throughout the ME&O strategy via message testing to ensure the material is culturally competent and effective. Additionally, PCE will run a number of print and digital advertisements in multiple languages to encourage program enrollment. Direct mailing, social media outreach and email blasts will also be utilized to target customers.

2. Community Outreach

To meet our ME&O goals, PCE will develop an outreach and engagement strategy leveraging the key tactics summarized below. The ME&O strategy will include a multilingual and culturally competent approach to engagement and consider the specific needs of DACs in PCE’s service area.

Grassroots Outreach: PCE will conduct grassroots outreach to engage directly with community members at community events. PCE already regularly attends and sponsors many community events throughout its service area, including neighborhood festivals, farmers markets, holiday celebrations, and special events. Despite the lack of such opportunities currently due to local health directives, it is expected that these events will again become available during the implementation timeframe. During the ME&O process for the DAC-GT and CSGT programs, PCE will focus on expanding the breadth of events attended in DAC neighborhoods. PCE will utilize the expertise of CBO partners to identify impactful events. Outreach will be informed by data (census tracks, 4013, etc.) in order to identify customers who are most likely to enroll in the programs.

Partnerships with Community-Based Organizations: Partnering with CBOs is a critical facet of PCE’s ME&O plan. CBOs have intimate knowledge of the local communities they serve and will serve as valuable resources for how best to conduct outreach that makes sense for members of their communities. As PCE engages with CBO partners, we seek to establish open dialogue, build awareness and understanding among community members, identify community-specific issues, and develop methods for disseminating relevant information.

Specifically, PCE will provide funding for CBOs to conduct outreach around the DAC-GT and CSGT programs, CARE and FERA enrollment, and other energy efficiency programs. CBOs will help coordinate program-specific workshops to disseminate program information to their constituencies. As community events and workshops are held, we will closely track the diversity in race, age and

income of participants, to ensure that participation reflects census distribution demographics of the DACs. Additionally, we will maximize convenience of meetings and events to public transportation, and ensure events are accessible in accordance with the American with Disabilities Act.

Additionally, many other local City departments already conduct outreach in the same communities that PCE will conduct program outreach. There may be an opportunity to partner and include DAC-GT and CSGT program information in City departments' ongoing efforts. PCE will investigate and pursue opportunities to collaborate.

Similarly, if other Community Choice Aggregators (CCAs) have launched their DAC-GT programs prior to PCE, PCE will connect with those CCAs to obtain ME&O lessons learned.

3. Program Leveraging

California offers a plethora of clean energy, energy efficiency, and storage incentives, with several of them targeting income-qualified customers or customers in DACs. Complementing the State's programs, PCE also has developed a wide range of in-house program offerings with many of them focusing on low-income customers or DACs. PCE's community outreach grants fund local nonprofits that are deeply engaged in our communities to communicate our program offerings directly to their clients and constituents. These organizations support residents in understanding which PCE programs residents are eligible for and helping them enroll. Through our outreach grant relationships we provide program information in Spanish, Mandarin, Cantonese, and English.

Under the DAC-GT/CSGT ME&O plan, PCE will leverage its relationships and interactions with customers through existing programs to inform, educate and encourage program participation. For example, PCE will leverage the following programs for joint outreach efforts:

- PCE's Community Outreach Grant program that supports customer education about utility discount programs as well as PCE programs for hard-to-reach communities in multiple languages;
- PCE's Low-Income Home Upgrade program that leverages and supplements existing home upgrade programs by funding gaps such as roof repairs; and
- PCE's Low-Income EV discount program that assists low-income families in buying used electric vehicles through a loan and financial education program coupled with rebates.

Figure 2: PCE ME&O Tactics and Strategies

Grassroots Outreach	Partnerships with Community Organizations
----------------------------	--

<ul style="list-style-type: none"> • Community Events and Workshops • Community Leaders 	<ul style="list-style-type: none"> • Direct Outreach • Presentations • Enrollment Assistance
<p>Communications and Media Content</p> <ul style="list-style-type: none"> • Digital Ads • Social Media Content • Flyers • Signage • Website • Emails • Direct Mail 	<p>Customer Identification and Messaging</p> <ul style="list-style-type: none"> • A/B Message Testing • Census Tract Information • Outreach Tracking • Culturally Competent Messaging and Translations

4. Metrics Tracking

Because PCE is using multiple tactics for ME&O, a variety of metrics will be used to evaluate the effectiveness of each effort. Our primary measure of effectiveness is the number of customers reached, which can be measured by:

- Total number of enrollees in both the DAC-GT and CSGT programs;
- Total CARE and FERA enrollment;
- Total number of customers reached;
- Diversity in race, age and income_of event participants, with participation that reflects census distribution demographics of the DACs;
- Direct mail and email - Email click-through and open rates;
- Indirect - Website visits and page views, Social media engagement and impressions; and
- Total number of events and distribution of events by neighborhood.

PCE will track these engagement metrics along with overall program enrollment metrics. By regularly monitoring these measures, PCE will be able to make changes in its approach or shift the mix of ME&O channels to improve the effectiveness of outreach, if necessary. Additionally, feedback from CBO partners, and interactions with members of the community along with message testing could alter the strategy pursued.

APPENDIX C

APPENDIX D



Disadvantaged Communities Green Tariff and Community Solar Green Tariff Request for Offers

Peninsula Clean Energy Authority, a community choice energy aggregator, is San Mateo County's official electricity provider and currently provides electricity service to approximately 300,000 customer accounts. Its service territory will expand to include Los Banos, CA beginning in April 2022.

For more information on Peninsula Clean Energy Authority, please go to www.peninsulacleanenergy.com.

Launch Date: [TBD]

Offers Due: [TBD]

RFO Website: <https://www.peninsulacleanenergy.com/solicitations/>

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1. Request for Offers Overview

On June 21, 2018, the California Public Utilities Commission (CPUC) approved [\(D.\)18-06-027](#) *Alternate Decision Adopting Alternatives to Promote Solar Distributed Generation in Disadvantaged Communities* adopting new programs to promote the installation of renewable generation among residential customers in disadvantaged communities (DAC) as directed by the California Legislature in Assembly Bill (AB) 327.¹ Pursuant to D.18-06-027, Community Choice Aggregators (CCAs) may develop and implement their own DAC Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs.

Peninsula Clean Energy Authority (PCE) is authorized² to procure between 3.736 MW and 4.0 MW for its DAC-GT program and between 0.4025 MW and 1.0 MW for its CSGT program.

Any Power Purchase Agreement (PPA) which results from this Request for Offers (RFO) will be subject to PCE Board of Directors (Board) and CPUC approval. For those projects that receive PCE Board of Directors approval and an executed PPA, PCE will submit the executed PPA to the CPUC for approval within 180 days of bidder's receipt of shortlist notification.

About Peninsula Clean Energy

Peninsula Clean Energy is a CCA and San Mateo County's official electricity provider. Its service territory will expand to include Los Banos, CA beginning in April 2022.

In May 2019, Peninsula Clean Energy received an investment grade credit rating of Baa2 from Moody's and in April 2020, PCE received an investment grade credit rating of BBB+ from Fitch. As of June 30, 2020, PCE had an audited combined cash and marketable securities balance of \$177.6 million. The combined balance represented 280 days of cash on hand, well in excess of PCE's Board updated policy requirement of 180 days. PCE's financial statements including its fiscal year 2019-2020 audited financial statements are available on PCE's website.

Acknowledgment of Terms

By participating in this RFO process, a bidder acknowledges that it has read, understands, and agrees to the terms and conditions set forth in these RFO instructions, including all attachments. PCE reserves the right to reject any offer that does not comply with the requirements identified herein. Furthermore, PCE may, at its sole discretion and without notice, modify, suspend, or terminate the RFO without liability to any organization or individual. The RFO does not constitute an offer to buy or create an obligation for PCE to enter into an agreement with any party, and PCE shall not be bound by the terms of any offer until it has entered into a fully executed agreement.

¹ AB 327 (Perea), Stats. 2013, ch 611.

² [Resolution E-5124](#), along with later approved capacity adjustments to accommodate the expansion of PCE's service territory to Los Banos, CA.

2. Project Eligibility

Offers must meet the following eligibility requirements:

DAC-GT Project Eligibility

- The Project must be a new solar, wind, small hydroelectric, or biogas³ Renewable Portfolio Standard (RPS)-eligible, in-front-of-the-meter generating facility.
- The Project must be physically located in and connecting electrically to a circuit, load, or substation within Pacific Gas and Electric Company's (PG&E) service territory and located within an eligible DAC as further explained below.
- Behind-the-meter projects, non-renewable technologies, and other complementary technologies, including energy storage, are not eligible.
- The Project must have an online date no later than December 31, 2023.
- The Project must have a demonstrably viable path to successful interconnection with the relevant authority (California Independent System Operator (CAISO) or PG&E).
- The Project must comply with the California Air Resources Board's Voluntary Renewable Electricity Program.
- The Project must be Green-e eligible.
- The Project must qualify as a DAC-GT Project pursuant to [D.18-06-027](#), [D.18-10-007](#), and [Resolution E-4999](#).

While not a requirement, Peninsula Clean Energy has a preference for DAC-GT projects sited in Los Banos, CA, which will become part of its service territory in April 2022.

CSGT Project Eligibility

CSGT Project must meet all the DAC-GT requirements above, with the following additional requirements:

- The Project must be located within 5 miles of the DAC census tracts in which subscribing Peninsula Clean Energy customers reside, as further defined in the CSGT Eligible Locations requirements below; and
- The Project must submit a letter of commitment from a non-profit community-based organization (CBO) or a local government entity or school that would serve as a sponsor for the CSGT project on behalf of DAC residents. See [Appendix A, Community Sponsor Requirements](#) for more detail.

PCE may be able to support the identification and engagement of a qualifying Community Sponsor.

³ The CPUC decision also allows for biomass resources, however PCE's Board of Directors has explicitly prohibited PCE's procurement of biomass resources.

DAC Locational Requirements

The CPUC has defined an eligible DAC as census tracts that either: (1) score at or above the 75th percentile (i.e., scoring in the top 25 percent statewide) in the current California Environmental Protection Agency’s (CalEPA) CalEnviroScreen 3.0 on a statewide basis, 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.

[NOTE TO CPUC: CalEnviroScreen is in the process of a revision (Cal EnviroScreen 4.0) that may change which census tracts qualify as DACs under the CPUC’s definition above. We will update below with CalEnviroscreen 4.0 Census Tracts if this revision is enacted between our submission of this document for CPUC approval and the issuance of the RFO.]

The CalEPA has created an [online map](#) that displays the CalEnviroScreen results. There are multiple ways to identify DACs:

1. Via Data List (Spreadsheet). Visit the [CalEPA DAC website](#), download the List of Disadvantaged Communities Excel file, and filter the data set; or
2. Search by Address. On the CalEnviroScreen map, in the “Find address or place” field, input the address and determine the color coding alongside the map’s Legend.

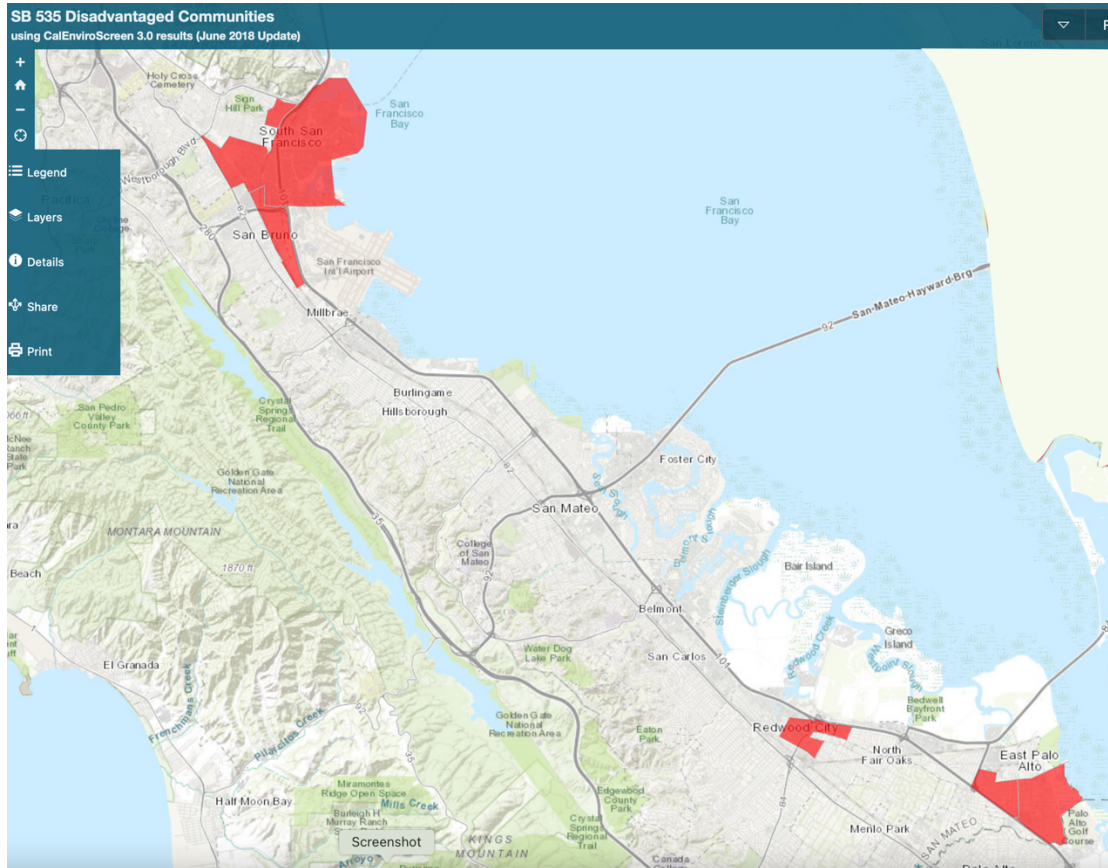
DAC-GT projects can be sited in any DAC in PG&E service territory. CSGT projects must be sited per eligible locations noted below.

CSGT Eligible Locations

CSGT projects can be sited in any of the 6 DACs in Peninsula Clean Energy’s San Mateo County territory in South San Francisco, Redwood City, San Bruno, and East Palo Alto. These are shown in red on the map below, which can be accessed via the CalEPA [online map](#). The projects must be within 5 miles of participating customers who must also be residents of a designated DAC.

CalEnviroScreen 3.0 Designated DACs in PCE Territory		
Census Tract	City or Nearby City for Approx. Location	Population
6081602100	South San Francisco	3,615
6081602300	South San Francisco	3,753
6081604200	San Bruno	4,170
6081612000	East Palo Alto	7,327
6081610201	Redwood City	5,764
6081611900	East Palo Alto	10,325
	TOTAL	34,954

Peninsula Clean Energy Authority DAC-GT and CSGT RFO



DACs in Los Banos, CA are not eligible locations for CSGT projects (but they are for DAC-GT projects).

3. RFO Timeline and Process

Timeline

The following is the expected timeline for the full RFO and awards process.

[Note to CPUC: As we do not know when CPUC review and approval will be complete, timeline below is relative to the date of CPUC approval of solicitation documents.]

Date	Item
Within 8 weeks of CPUC approval of solicitation documents	RFO Issuance and Q&A open
Two weeks from RFO issuance	Deadline to submit questions prior to webinar
Within one week after prior Item	Bidder webinar to discuss RFO process
Within one week after previous Item	Deadline to submit RFO questions
Within one week after previous Item	Final Q&A addendum posted to RFO website
Within six weeks of issuance	Deadline to submit RFO proposals
Within four weeks after previous Item	Bidders notified of shortlist status

During following twenty weeks after previous Item	Evaluations of and negotiations with shortlisted Bidders, awards, and PCE Board approval
Within eight months of Issuance	PCE submits executed PPA(s) to CPUC for approval

Communications

All RFO documents, announcements, Q&As, and updates are available at the RFO website at <https://www.peninsulacleanenergy.com/solicitations/>.

Webinar

To register for the webinar, please send an email to programs@peninsulacleanenergy.com. During the Webinar, Peninsula Clean Energy intends to address questions submitted in advance of the question deadline date in the timeline above. Peninsula Clean Energy encourages bidders to submit questions in advance of the Webinar to support a more efficient Webinar.

Submission and Posting of Q&A

Bidders are encouraged to submit questions concerning the RFO. All questions must be submitted through the form posted here: [\[WEB FORM – ADDRESS TO BE UPDATED PRIOR TO ISSUANCE\]](#). Please submit RFO questions to Peninsula Clean Energy as early as possible.

Peninsula Clean Energy intends to post all questions submitted by bidders before and after the Webinar, as well as responses to those questions in the form of an Addendum posted to the RFO website. Answers will be posted by the date in the timeline above. All addenda shall become part of this RFO. All questions will be posted anonymously to shield the identity of bidders who posed the questions.

Bid Submittal

Offers must include the required documents described below. All proposals must meet the requirements of the RFO to be considered. However, PCE reserves the right to waive any deficiency of an offer.

Shortlist Selection Process

Peninsula Clean Energy will evaluate all offers per the evaluation criteria described below. Short-listed bidders will be required to provide additional documentation within two weeks of notification of short-listing. Peninsula Clean Energy will only negotiate contracts with short-listed bidders. Peninsula Clean Energy may execute contracts with selected bidders at any time during the negotiation phase or may choose to execute none at all. Note that shortlisted bidders may be required to agree to an exclusivity agreement during the short-listing and negotiation period. A template is posted on the RFO website but is only required for those bidders selected for short-listing.

Selection and Public Disclosure

Contracts with projects selected by Peninsula Clean Energy must be approved by the Peninsula Clean Energy Board of Directors at a public meeting prior to execution. See Section 15 of this document for a discussion of the classification and treatment of confidential material. Contracts

approved by the Peninsula Clean Energy Board of Directors must then be submitted to the CPUC for approval.⁴ Contracts shall only become effective on CPUC approval.

4. Submission Specifications

All offers must meet the following specifications in order to be considered for selection:

Resource	New solar, wind, small hydroelectric, or biogas Renewable Portfolio Standard (RPS)-eligible, in-front-of-the-meter generating facility meeting the Project Eligibility requirements stated in Section 2 of this document.
Capacity	DAC-GT Projects: Bids between 1MW and 4MW, with 3.75MW preferred CSGT Projects: Bids between 410kW and 1MW, with 410kW preferred
Price	Fixed \$/MWh with zero percent (0%) annual escalator. (Note: Actual payments to bidder will be consistent with the terms of the PPA Agreements for each project).
Product	Offered product shall include all applicable and associated Capacity, Energy, and Environmental Attributes/Renewable Energy Credits (RECs).
Point of Delivery (POD)	The Point of Delivery (POD) is defined as follows: <ul style="list-style-type: none"> • For CAISO-participating resources, the Pnode at which the Project will settle • For non-CAISO-participating resources, the revenue meter at the point of coupling between the resource and PG&E's distribution grid.
Number of Offers	Bidders may submit multiple offers.
Term	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.

⁴ See [Resolution E-5124](#) at 34.

Peninsula Clean Energy Authority DAC-GT and CSGT RFO

Ownership	PCE expects the resource will be owned by the bidder or its designated 3 rd party. PCE may wish to explore the option of purchasing the project in the future and invites bidders to advise on any preferences or pricing in this regard.
Site Control	Participants should provide evidence that they have obtained or have the option to obtain all necessary rights to deploy the resource at the specified location.
Interconnection	Bidder must substantiate what steps it has taken to validate interconnection viability with the relevant authority (CAISO or PG&E) and why it believes it will be able to interconnect this project according to the required schedule. PCE reserves the right at its discretion to disqualify any submission that it believes shows insufficient evidence of interconnection viability.
Scheduling Coordinator (CAISO-participating resources only)	Designated Scheduling Coordinator to be determined during negotiations following shortlisting.
Expected Commercial Operation Date (COD)	By December 31, 2023. Projects with earlier start dates will be prioritized.
Guaranteed Energy Production	One hundred sixty percent (160%) of proposed estimated annual energy production in each 2-year performance measurement period.
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	<p>Proposed pricing should incorporate the following security requirements.</p> <ul style="list-style-type: none"> • Following PPA execution: Development Security of \$60/kW of Guaranteed Capacity. This can be provided as cash or Letter of Credit. • Upon Commercial Operation: Performance Security equivalent to one year of expected project revenues. This can be provided as cash or Letter of Credit.

Transfer of Environmental Attributes/Renewable Energy Certificates	As part of the proposed transaction associated with any renewable energy product, all Environmental Attributes/Renewable Energy Certificates must be tendered and transferred to PCE via the Western Renewable Energy Generation Information System (WREGIS), or its successor, without any additional costs or conditions to PCE.
Labor Requirements	Must comply with Peninsula Clean Energy's Inclusive and Sustainable Workforce Policy (described below).
Community Sponsor (CSGT Only)	Letter of commitment from a qualifying sponsor(s) is required. Qualifying sponsors include non-profit CBOs, local government, or local government entities including schools. As this is a resource participating in a PCE program, PCE cannot be a Community Sponsor. See Appendix A .

5. Evaluation Criteria

Submissions will be evaluated according to quantitative and qualitative evaluation factors described below.

Quantitative Evaluation Criteria

All projects will be assessed for the project's economic value including energy, environmental attributes, resource adequacy if applicable (net of curtailment and degradation), contract cost, and contract term.

Qualitative Evaluation Criteria

Projects will also be assessed according to the qualitative criteria outlined below:

- Project viability and development risk:
 - Project status regarding interconnection, site control, permits;
 - Financial stability of project owner/developer; and
 - Approach/discussion on project construction.
- Project team experience.
- Redline to Term Sheet: Material terms that the bidder is requesting as a condition of the offer.
- Workforce Development
 - Relevant information submitted by bidder will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting fair compensation, fair worker treatment, multi-trade collaboration, and support of the existing wage base in local communities where contracted projects will be located.
- Compliance with Peninsula Clean Energy's Ethical Vendors Standard:

Peninsula Clean Energy Authority DAC-GT and CSGT RFO

- Bidder’s business practices, environmental track record, and commitment to sustainability in its procurement decisions.

Evaluation Scoring

Responses will be scored per the following criteria and point awards:

Evaluation Criteria	Total Awardable Points
Value (price, energy attributes, capacity)	25
Project Viability	25
Project team experience	15
Project meets PCE’s full respective allocation (3.75MW DAC-GT or 410kW CSGT)	10
Project is located in a DAC in Los Banos, CA	10
Project will use union labor and project labor agreement	10
Redline to Term Sheet	5
Demonstrates compliance with PCE Sustainable Workforce Policy	Pass / Fail
Demonstrates compliance with PCE Ethical Vendors Standard	Pass / Fail
Total	100

6. Submission Package

The following documents are required for each Project:

	Submission Element	Reference [LINKS TO ATTACHMENTS TO BE UPDATED PRIOR TO ISSUANCE]
01	Offer Form(s) (Variants should be submitted in separate offer forms)	See Attachment 1
02	Project Narrative	See Attachment 2
03	Term Sheet Redline	See Attachment 3a For Resources 1 MW or greater See Attachment 3b For Resources less than 1 MW
04	Project Sponsor Letter (CSGT Submissions Only)	See Appendix A
05	Workforce Narrative (Demonstrates bidder’s compliance with Peninsula Clean Energy’s Sustainable Workforce Policy)	Link to Workforce Policy
06	Ethical Vendor Narrative (Demonstrates bidder’s compliance with Peninsula Clean Energy’s Ethical Vendor Standards)	Link to Ethical Vendor Standards
07	(Optional) Supplier Diversity Questionnaire	See Attachment 4

**Only electronic submittals will be accepted via e-mail sent to programs@peninsulacleanenergy.com with the header: “[Program] [Submission Element] – [Bidder Name]” in the subject line.
For example: “DAC-GT Offer Form – Company X”
“CSGT Project Sponsor Letter – Company Y”**

Offer Form

The Offer Form is a primary source of data for evaluating submissions.

Term Sheet Redline

Bidders are required to provide a full redline of the term sheet. Note that there is a separate term sheet for resources less than 1 MW and resources equal to or greater than 1 MW. Proposed pricing should assume the terms in the form term sheet. Peninsula Clean Energy will consider redlines but may or may not ultimately accept changes. If changes to specific terms would positively impact pricing to Peninsula Clean Energy, please note this in the term sheet redline including the magnitude of the impact.

Project Narrative

Bidders should submit a brief narrative regarding the Project that will be used as a reference for specific project details that are not fully captured in the Offer Form templates and for further assessment of proposals.

Workforce Narrative

Peninsula Clean Energy requires all bidders to provide documentation describing efforts towards engaging a skilled and trained workforce and targeted hires. At a minimum, projects must comply with Policy 10, "[Peninsula Clean Energy's Sustainable Workforce Policy](#)".

Workforce Narrative submitted by bidders will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting fair compensation, fair worker treatment, multi-trade collaboration, and support of the existing wage base in local communities where contracted projects will be located.

Ethical Vendor Narrative

Per its Policy No. 9, "Peninsula Clean Energy is committed to the highest standards of responsible behavior and integrity in all of its business relationships. PCE will consider a company's business practices, environmental track record, and commitment to sustainability in its procurement decisions."

The Ethical Vendor Narrative should describe bidder's business practices, environmental track record, and commitment to sustainability in its procurement decisions.

Optional: Diversity Questionnaire (for Peninsula Clean Energy's Data Collection Only)

Peninsula Clean Energy asks bidders to voluntarily complete the attached Supplier Diversity Questionnaire (Attachment 6) disclosing their General Order (GO) 156 certification status as well as their efforts to work with diverse business enterprises, including those owned or operated by women (WBE), minorities (MBE), disabled veterans (DVBE), and lesbian, gay, bisexual, or transgender people (LGBTBE).

As a public agency and consistent with state law, Peninsula Clean Energy will not use any such information provided on the Diversity Questionnaire in any part of its decision-making or selection process. Rather, Peninsula Clean Energy will use the information provided on the Diversity Questionnaire solely to help evaluate how well Peninsula Clean Energy is conforming to its own policies and goals. For additional information, please see Section 10 below. ***Pursuant to California Proposition 209, Peninsula Clean Energy does not give preferential treatment based on race, sex, color, ethnicity, or national origin.***

Please do not include extra documentation not listed here.

7. Short-listed Bidder Required Documents

Within 2 weeks of short-list notification, the following items or documents must be submitted to Peninsula Clean Energy:

Peninsula Clean Energy Authority DAC-GT and CSGT RFO

- Financial Information; and
- Demonstration of site control.

Bidder Financial Information

Based on availability, counterparties must submit a financial statement for the most recent financial quarter, as well as audited financial statements for the most recent two fiscal years, or the period of existence of the counterparty, if shorter.

Financial statements should be sent to programs@peninsulacleanenergy.com. If the bidder requires a Non-Disclosure Agreement (NDA) in order to share that information, bidder will execute an NDA with PCE. More instructions will be shared upon shortlisting.

Demonstration of Site Control

Bidder must provide evidence that it has secured or has the clear option to secure any required rights for developing the proposed Project at the proposed location.

8. Buyer Security

Peninsula Clean Energy does not intend to provide collateral or performance security in connection with any PPAs that they may execute in connection with this RFO. By submitting an offer through this RFO, bidder acknowledges and accepts that Peninsula Clean Energy does not intend to provide collateral or performance security in connection with any PPA, and no such offer submitted will be subject to a requirement that Peninsula Clean Energy post collateral or security.

9. Protest

If an unsuccessful bidder wants to dispute an award or award recommendation, a protest must be submitted in writing to the Chief Executive Officer, Janis Pepper no later than ten (10) calendar days after notice that the bidder was unsuccessful, detailing the grounds, factual basis and providing all supporting information. Protests will not be considered for disputes on the grounds that material provision in this RFO is ambiguous. Failure to submit a timely written protest to the contact listed below will bar consideration of the protest.

The address for submitting protests is:

Attention: Janis Pepper, CEO
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, CA 94061

Please submit electronic versions of any protest to Janis Pepper at procurement@peninsulacleanenergy.com.

10. Bidder Representations

By submitting a bid, bidder agrees to be bound by the conditions of these RFO protocols, and makes the following representations, warranties, and covenants to Peninsula Clean Energy, which representations, warranties, and covenants will be deemed to be incorporated in their entirety into each of bidder's submittals and are deemed to be material to Peninsula Clean Energy's consideration of the proposals:

1. Bidder agrees that Peninsula Clean Energy is not liable to any bidder or party in law or equity for any reason whatsoever for any acts or omissions arising out of or in conjunction with this RFO and that bidder has no legal recourse against Peninsula Clean Energy, its directors, officers, employees, and agents for rejection of their submittal(s).
2. Bidder acknowledges that it has had the opportunity to seek independent legal and financial advice of its own choosing with respect to this RFO and agrees to be bound by the terms and specifications of this RFO and any addenda subsequently issued prior to the due date of the submittal.
3. Bidder has obtained all necessary authorizations, approvals, and waivers, if any, required by bidder to submit its bid pursuant to the terms of this RFO and to enter into a final agreement with Peninsula Clean Energy.
4. Bidder acknowledges that Peninsula Clean Energy reserves the right to enter into relationships with more than one bidder, can choose not to proceed with any bidder with respect to one or more identified projects, and can choose to suspend this RFO or issue a new RFO that would supersede and replace this RFO.
5. Bidder warrants that it has no employees in its employ who in any capacity have a position at Peninsula Clean Energy that enable him/her to influence the selection of a bidder or any competing RFO, nor does bidder have in its employ any of Peninsula Clean Energy Board members or employees who are the spouse or economic dependent of a Peninsula Clean Energy employee.
6. Bidder's submission complies with all applicable laws.
7. Bidder warrants that all information submitted by bidder to Peninsula Clean Energy in connection with this RFO is true and accurate as of the date of bidder's submission. Bidder also covenants that it will properly update any submitted information immediately upon any material change thereto.
8. Bidder acknowledges and accepts that Peninsula Clean Energy does not intend to provide collateral or performance security in connection with any PPA.
9. The submission of a proposal shall be deemed a representation and certification by the Bidder that it has investigated all aspects of the RFO, that it is aware of the applicable facts pertaining to the RFO process, its procedures, and requirements, and that it has read and understood the RFO.

11. Interpretation

Peninsula Clean Energy shall not be responsible for nor be bound by any oral instructions, interpretations or explanations issued by Peninsula Clean Energy or its representatives.

Should there be a need to clarify this RFO or any of its attachments, including but not limited to the Term Sheet, requests for clarification may be sent via e-mail to

programs@peninsulacleanenergy.com. Requests for clarification received or questions on the RFO after the deadline provided in Section 3, above, will not be considered. If there are any discrepancies between the RFO and the Term Sheet, the Term Sheet will apply.

12. Code Adherence and Policies

RFO bidder shall agree to abide by all laws, rules, and regulations of the United States, State of California, and San Mateo County.

13. Board Approval Process

An agreement shall not be binding or valid unless and until it is approved by the Peninsula Clean Energy Board, of Directors and executed by an authorized representative of Peninsula Clean Energy and approved by the CPUC.

14. Insurance Requirements

The selected bidder, at bidder's sole cost and expense and for the full term of the Agreement or any extension thereof, shall obtain and maintain insurance as required by Peninsula Clean Energy.

All policies, endorsements, certificates, and/or binders shall be subject to approval by PCE as to form and content. Insurance requirements are subject to amendment or waiver if so approved in writing. The selected bidder agrees to provide PENINSULA CLEAN ENERGY with a copy of said policies, certificates, and/or endorsements.

15. Public Nature of Proposal Material

All correspondence with Peninsula Clean Energy including responses to this solicitation will become the exclusive property of Peninsula Clean Energy and will become public records under the California Public Records Act (CPRA). All documents sent to Peninsula Clean Energy will be subject to disclosure if requested by a member of the public. There are a limited number of exceptions to this disclosure requirement.

Peninsula Clean Energy acknowledges that a party may submit information that the party considers confidential, proprietary, or trade secret information or otherwise protected from disclosure pursuant to an exemption to the CPRA (Confidential Information). In order to designate information as confidential, the bidder must clearly stamp and identify the specific portion of the material designated with the word "Confidential" and provide a citation to the CPRA or other legal authority that supports keeping the information confidential. Upon request or demand of any third person or entity not a party to this Agreement (Requestor) for production, inspection and/or copying of information designated by bidder as confidential information, Peninsula Clean Energy will notify the bidder as soon as practical that such request has been made. The bidder shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be Confidential Information and to prevent Peninsula Clean Energy's release of information to the Requestor. If the bidder takes no such action after receiving the foregoing notice from Peninsula Clean Energy, Peninsula Clean Energy

shall be permitted to comply with the Requestor's demand and is not required to defend against it.

Bidder should not over-designate material as confidential. Over-designation would include stamping entire pages or a series of pages as confidential that contain information that is not confidential. Therefore, any proposal which contains language purporting to render all or significant portions of their proposal "Confidential", "Trade Secret" or "Proprietary", or fails to provide the exempted information required as described below will be considered a public record in its entirety subject to the procedures described below. Do not mark your entire proposal as "Confidential".

Peninsula Clean Energy will not disclose any part of any proposal before it announces a recommendation for an award on the ground that there is a substantial public interest in not disclosing proposals during the evaluation and negotiation process. After announcing a recommended award, all proposals will be subject to public disclosure.

16. Disclaimer

Peninsula Clean Energy reserves the sole and discretionary right to reject any offers received in response to this RFO for any reason. Additionally, Peninsula Clean Energy reserves the right, at its sole discretion, to not enter into any transaction at the conclusion of this RFO. Peninsula Clean Energy shall not be obligated to respond to any proposal submitted, nor be legally bound in any manner by submission of the proposal. Peninsula Clean Energy reserves the right to modify the terms and conditions of this RFO at any time based on changing needs and market feedback. Peninsula Clean Energy also reserves the right to rescind this RFO at any time prior to Peninsula Clean Energy execution of a binding agreement. Notwithstanding anything to the contrary, no proposal, bid, offer, or proposed transaction (however described) shall be binding upon Peninsula Clean Energy except pursuant to a written agreement signed by the authorized representative of Peninsula Clean Energy and the counterparty. Peninsula Clean Energy will not be liable at any time for any costs the prospective supplier may incur in preparing or submitting its response to this RFO.

Appendix A

Community Sponsor Requirements

As required by the California Public Utilities Commission in [Decision 18-06-027](#), pages 78:

Community Sponsorship: Community involvement must be demonstrated by a non-profit community-based organization or local government “sponsoring” a project on behalf of residents. Developers will be required to obtain a letter of commitment from sponsors to bid for projects. We clarify that sponsor’s role is to be a catalyst for the community and the project and may involve utility and developer participation in this effort.

Specifically, a developer must provide a letter of commitment from a sponsor that includes:

- Demonstration of substantial interest of community members in subscribing to project;
- 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 the utility); and
- Siting preferences, including community-suggested host sites, and verification that the site chosen for the bid is consistent with community preference.