



## 2018 Request for Offers Procedural Overview & Instructions

### 1. Introduction

As part of its ongoing effort to stimulate economic vitality, innovation and job creation in the Tri-County region, MBCP has established a Request for Offer for local generation (Go Local RFO) based within the service territory, that provides a competitive, objectively administered opportunity for qualified suppliers of various energy products to fulfill certain portions of MBCP's future resource requirements.

MBCP's 2018 Go Local RFO includes a request for one energy product, as defined below. General instructions for participating in MBCP's Go Local RFO are described in the text of this document, below, while product-specific requirements are outlined in Appendix A.

<u>Product</u>	<u>Offers Due</u>
Local Renewable Energy (with/without Storage)	Wednesday, August 1, 2018

By participating in MBCP's Go Local RFO process, respondents acknowledge that they have read, understand, and agree to the terms and conditions set forth in this Procedural Overview & Instructions. MBCP reserves the right to reject any offer that does not comply with the requirements identified herein. Furthermore, MBCP may, in its sole discretion and without notice, modify, suspend, or terminate the Go Local RFO without liability to any organization or individual. The Go Local RFO does not constitute an offer to buy or create an obligation for MBCP to enter into an agreement with any party, and MBCP shall not be bound by the terms of any offer until MBCP has entered into a fully executed agreement.

## 2. Schedule

The Go Local RFO will be administered based on the following schedule:

- a. Offer submission: Offers must be submitted to the LevelTen Marketplace by no later than 5:00 P.M. Pacific Prevailing Time (PST) on Wednesday, August 1, 2018.
- b. Supplier interviews/Q&A: As necessary, MBCP may submit clarifying questions to certain respondents or conduct interviews, based on information provided in your project proposal. MBCP shall retain the right, in its sole discretion, to request information without notifying other respondents. MBCP shall establish due dates for any request(s) for additional information, which shall be communicated to the affected respondent(s).
- c. Response evaluation and supplier notification (shortlist): Following its review of proposed responses and clarifying materials, as well as any interview(s) that may be conducted during this process, MBCP will notify all selected suppliers of its intent to pursue contract negotiations. Those suppliers not selected during this process will be notified accordingly.
- d. Contract approval and execution: Contracting will proceed via specific timelines outlined in Appendix A.

## 3. Offer Form

MBCP will only consider complete offers that conform to the product-specific requirements outlined in Appendix A. To be deemed a complete, conforming offer, each response shall:

- a. Be submitted electronically to the LevelTen Energy Marketplace no later than 5pm PST on Wednesday, August 1, 2018;
- b. Follow these instructions for submitting an offer:  
If you are a developer intending to submit an offer, please click here to get started with LevelTen's platform: <https://marketplace.levelten.energy/login>.

To request login credentials through LevelTen's intake process, please email [mbcpgolocalrfo@leveltenenergy.com](mailto:mbcpgolocalrfo@leveltenenergy.com) with the subject line "Request Credentials".

Once you receive credentials, follow these steps to start your offer.

1. Log in to LevelTen's Marketplace: <https://marketplace.levelten.energy/login>
  2. Go to the RFPs area from the left menu.
  3. Click "MBCP Go Local RFO" in the list to view the RFP.
  4. Review the attached files for Instructions & Acknowledgement, Counterparty Information, Project Information, Supplier Diversity & Labor and an optional attachment Opportunity to Describe Local Impact.
  5. Click "Start Proposal". Further instructions are included on LevelTen's RFP platform.
- c. Instructions for preparing an offer to the Go Local RFO can be found on the LevelTen Energy Site under the "MBCP Go Local RFO" as well as on the MBCP website. The Offer Form has been prepared for requested product, and respondents should carefully review the Offer Form and associated instructions to ensure submittal of conforming responses; and
  - d. Indicate acceptance of MBCP's standard contract terms in the Instructions & Acknowledgments section of the Offer Form or include a markup, in redline form, reflecting all requested changes to the applicable standard form contract as Attachment I to the offer submittal. When

considering changes to MBCP's form agreements, respondents should be aware of the following:

- Ease of transaction, including adherence to MBCP's standard contract terms, is an important factor in MBCP's evaluative process; offers that accept MBCP's standard contract terms will be given preference during such evaluation;
  - MBCP will not accept or discuss substantive changes to its credit requirements, as reflected in MBCP's standard contract terms, nor will MBCP consider credit requirements that impose any obligations on its member municipalities;
  - Changes to MBCP's standard contract terms submitted after the response deadline may result in disqualification and, if applicable, forfeiture of the shortlist deposit.
  - Please see Appendix A for the specific contracts that will be used as well as a list of Attachments to be included.
- e. Include all necessary Attachments
- Please see Appendix A for a list of all product-specific attachments. MBCP encourages Go Local respondents to emphasize quality as opposed to quantity when considering the submittal of multiple responses. No more than three projects will be awarded, per respondent; multiple pricing offers (e.g. different COD-dependent prices for the same project) will not be considered independent projects for the sake of this limitation.

#### **4. Evaluation of Responses**

MBCP will evaluate responses in consideration of a common set of criteria, a partial list of which is included below. This list may be revised at MBCP's sole discretion and includes:

- a. Overall clarity and quality of response, inclusive of completeness, timeliness, and conformity;
- b. Price and relative value within MBCP's supply portfolio;
- c. Project location and local benefits, including local hiring and prevailing wage considerations;
- d. Project development status, including but not limited to progress toward interconnection, deliverability, siting, zoning, permitting, and financing requirements;
- e. Qualifications, experience, financial stability, and structure of the prospective project team (including its ownership);
- f. Environmental impacts and related mitigation requirements;
- g. Development milestone schedule, if applicable;
- h. Educational opportunities for members of our communities; and
- i. Impact on economic growth and contribution to overall economic vitality.

#### **5. Supplier Diversity and Labor Practices**

Consistent with the California Public Utilities Commission policy objectives, MBCP wishes to collect information regarding supplier diversity and labor practices from project developers and their subcontractors regarding past, current and/or planned efforts and policies. Respondents are asked to complete the Supplier Diversity and Labor Practices questionnaire in the Offer Form. Any contract successfully negotiated as a result of MBCP's Go Local RFO will have similar regular reporting requirements.

MBCP does not give preferential treatment based on race, gender, color, ethnicity, or national origin; responses to the Supplier Diversity and Labor Practices questionnaire will not affect proposal evaluation or scoring. Furthermore, providing such information to MBCP will not impact the selection

process or good standing of executed Purchase Power Agreements (PPA).

**6. Shortlist Deposit**

Following supplier notification (i.e., shortlist selection), the selected respondent(s) will be required to submit a Shortlist Deposit of \$3.00 per kilowatt for all short-listed project capacity within 10 business days of such notification. The Shortlist Deposit is generally intended to secure the obligations of any shortlisted respondent(s) during the negotiating period and to ensure that each offer has been carefully considered. The Shortlist Deposit must be in the form of either a cash deposit or a Letter of Credit. "Letter of Credit" means an irrevocable standby letter of credit, in a form reasonably acceptable to MBCP, issued either by (i) a U.S. commercial bank, or (ii) a U.S. branch of a foreign commercial bank that meets the following conditions: (A) it has sufficient assets in the U.S. as determined by MBCP, and (B) it is acceptable to MBCP in its sole discretion. The issuing bank must have a Credit Rating of at least A- from S&P or A3 from Moody's, with a stable outlook designation. In the event the issuer is rated by both rating agencies and the ratings are not equivalent then the lower rating will apply. All costs of the Letter of Credit shall be borne by respondent. The Letter of Credit should be sent by overnight delivery to:

MBCP  
Attn: Go Local RFO  
70 Garden Court, Suite  
300, Monterey, CA  
94940

The Shortlist Deposit will be returned to respondent under one or more of the following conditions: 1) following execution of a PPA and posting of required collateral; 2) MBCP's rejection of the respondent's offer following shortlist selection; 3) failure of MBCP and the shortlisted respondent to agree on terms of the offer or PPA; or 4) MBCP's termination of the Go Local RFO process. Respondent will forfeit its deposit if: 1) material misrepresentations of information related to respondent's offer are identified during the negotiating process; 2) respondent fails to comply with the terms and conditions of this Go Local RFO process; or 3) respondent unilaterally withdraws the offer or attempts to materially modify the terms of its offer during the ninety-day (90-day) period immediately following supplier's acceptance of shortlist status. In addition, MBCP shall be able to retain any Letter of Credit provided as a Shortlist Deposit as security under any executed PPA resulting from the Go Local RFO process in the event that respondent fails to provide required security in accordance with the terms of such PPA.

## Appendix A Specifications: Local Renewable Energy

### Schedule- Renewable Energy Generation (with/without Storage)

Announcement of MBCP’s Go Local RFO Solicitation for Renewable Energy Generation (with/without Storage): Wednesday, May 30, 2018.

Release of Offer Forms, Renewable Energy PPA and Renewable Energy Plus Storage PPA: For renewable energy and renewable energy plus storage projects, MBCP will provide via its website its standard Renewable Energy and Renewable Energy Plus Storage Power Purchase Agreements on or before Wednesday, June 27, 2018.

Webinar: Wednesday, July 11, 2018 at 11:00am

Frequently Asked Questions (FAQs): Questions should be submitted to [rfo@mbcommunitypower.org](mailto:rfo@mbcommunitypower.org) and will be accepted from Wednesday, May 30, 2018 to Friday, July 13, 2018. Responses will be posted to <https://www.mbcommunitypower.org/energy-procurement/> on a one-week trailing basis. The final responses to questions will be posted no later than Friday, July 20, 2018.

Note: Questions relating to the LevelTen Marketplace; credentials, uploading projects, platform specific information, etc., should be submitted to [mbcpgolocalrfo@leveltenenergy.com](mailto:mbcpgolocalrfo@leveltenenergy.com).

Offer Submission: Offers must be submitted through the LevelTen Energy Marketplace by no later than 5:00 P.M. Pacific Prevailing Time on **Wednesday, August 1, 2018**. To Submit your offer, please click here to get started with LevelTen’s platform: <https://marketplace.levelten.energy/login>.

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2. Go to the RFPs area from the left menu.
3. Click “MBCP Go Local RFP” in the list to view the RFP.
4. Review the attached files for Instructions & Acknowledgement, Counterparty Information, Project Information, Supplier Diversity & Labor and an optional attachment Opportunity to Describe Local Impact.
5. Click “Start Proposal”. Further instructions are included on LevelTen’s RFP platform.

**A complete Offer Package must include the following:**

- Complete project information uploaded through the LevelTen Energy Marketplace. You must complete each of the four tabs (i.e. Overview, Price, Backcast/Forecast, Risk Analysis) on LevelTen’s online project intake form.

In addition to the information required in LevelTen’s online project intake form, the following documents must be completed and uploaded to the LevelTen Energy Marketplace as Supporting Documents and Files to your proposal:

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- Counterparty Information, Project Information, Supplier Diversity and Labor, Opportunity to Describe Local Impact (Optional Document)

The following attachments must also be uploaded to the LevelTen Energy Marketplace as Supporting Documents and Files to your proposal. MBCP is not providing templates for the following documents. For Attachments A-C use the following naming convention; Developer Name- Attachment Name. If submitting multiple projects for attachments D-J; Developer Name-Project Name- Attachment Name.

- Attachment A – Financing Plan
- Attachment B – Financial Statements
- Attachment C – Organizational Chart
- Attachment D – Interconnection Study or IA
- Attachment E – Project Development Timeline
- Attachment F – Permitting, Use and Zoning
- Attachment G – Site Plan
- Attachment H – Single Line Diagram
- (If applicable) Attachment I - Requested changes via redline, to MBCP’s standard contract terms
- (If applicable) Attachment J – Alternate Pricing

### **Product-specific requirements (Local Renewable Energy):**

- I. **Applicable Contract:** MBCP’s Renewable Power Purchase Agreement or Renewable + Storage Power Purchase Agreement.
- II. **Resource Location:** Facility must be physically located and interconnected within any member jurisdiction of MBCP’s service territory (the “Eligible Territory”).
- III. **Product:** Should include Renewable Energy, Green Attributes/Renewable Energy Credits and Capacity Attributes (if available). On the pricing Tab of LevelTen’s online intake form, select “Bundled with energy” as your answer “How are project RECs price?” Similarly, make the appropriate selection in the Pricing Tab under Capacity Pricing for how you are pricing Capacity Attributes.
- IV. **Resource Eligibility:** All deliveries shall meet minimum specifications for the PCC1 as described in the Public Utilities Code and applicable regulations.
- V. **Generating Capacity:** The preferred proposed generating resource is between one (1) and three (3) megawatts (“MW”), AC. Note: On the Overview Tab of LevelTen’s online intake form, the Project Size inputs automatically round up for the purposes of presentation in the user interface; however LevelTen evaluates your project based on the actual 8760 production profile.
- VI. **Term of Agreement:** Not less than five (5) years and not more than twenty (20) years, commencing on the Initial Date of Delivery.
- VII. **Initial Date of Delivery:** Preferred Initial Dates of Delivery are from 2019 to 2024. MBCP prefers Initial Dates of Delivery in September of any given year. If your project has multiple options for

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Initial Dates of Delivery: each option must be entered as a separate project in LevelTen's online intake form.

- VIII. **Proposed Pricing:** Respondent should provide a single, flat price for each MWh of electric energy delivered from the proposed generating resource. This energy price shall remain constant throughout the entire delivery term and shall not be adjusted by periodic escalators or time of delivery adjustments. This energy price shall include procurement of the energy commodity, all Green Attributes/Renewable Energy Credits related thereto, Capacity Attributes (if available), transmission charges to the delivery point, including but not limited to CAISO imbalance costs, fees and penalties as well as scheduling fees associated with delivered energy volumes.

Alternative pricing options may be proposed so long as the aforementioned single flat pricing requirement has been satisfied. Please submit as Attachment

- IX. **Point of Delivery:** Respondents may propose product delivery under one of the following options. MBCP has a preference for option "a" and hub pricing is required to be input on LevelTen's online intake form:
- a. Respondent shall be financially and operationally responsible for delivery of all electric energy to the NP15 trading hub, as defined by the CAISO [TH\_NP15\_GEN-APND]. Respondent shall serve as its own scheduling coordinator or make arrangements for a third-party scheduling coordinator at no cost to MBCP.
  - b. Respondent shall be financially and operationally responsible for delivery of all electric energy to the generator's applicable production node. MBCP will utilize its own scheduling coordinator at MBCP's sole expense, scheduling all electric energy from the generator's applicable production node.

- X. **Minimum Development Progress:** To the extent that a proposed generating resource is not yet commercially operational, documentation substantiating achievement of the following development milestones must be provided by the respondent for each eligible generator at the time of offer submittal:

- a. documentation demonstrating full site control via ownership, lease or an option to lease upon PPA execution. Any site lease shall reflect a term length no less than the delivery term of the PPA.
- b. documentation that the proposed generating resource has (a) passed all Fast Track screens, or (b) in the case of projects requiring Detailed Study, started Initial Review.

NOTE: Full execution of an Interconnection Agreement with the utility shall be a condition included in the final Power Purchase Agreement consistent with Section 3(d).

- XI. **Local Hire:** Seller will ensure that fifty percent (50%) of the construction workhours from its workforce (including contractors and subcontractors) providing work and services at the project

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site during the Construction Phase (e.g., the period from Full Notice to Proceed (NTP) through receipt of a Permission To Operate (PTO) letter from the interconnecting utility) are obtained from permanent residents who live within the Tri-County region in which the Eligible Resource will be located (the “Local Hire Requirement”). Seller’s construction of the Eligible Resource is also subject to any local hire requirements specific to the city or town where the proposed generating resource is located. As a condition precedent to commencement of the delivery term under the PPA, Seller must certify that it met the Local Hire Requirement and be able to demonstrate, upon request, compliance with this requirement via a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit. Failure to comply with this requirement may, in MBCP’s sole discretion, result in termination of the PPA.

- XII. **Prevailing Wage:** Seller will ensure that all employees hired by Seller, and its contractors and subcontractors, that are performing work or providing services at the project site during the Construction Phase are paid wages at rates not less than those prevailing for workers performing similar work in the locality as provided by Division 2, Part 7, Chapter 1 of the California Labor Code (“Prevailing Wage Requirement”). Nothing herein shall require Seller, its contractors and subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code. As a condition precedent to commencement of the delivery term under the PPA, Seller must certify that it met the Prevailing Wage Requirement, and be able to demonstrate, upon request, compliance with this requirement via a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit. Failure to comply with this requirement may, in MBCP’s sole discretion, result in termination of the PPA.
- XIII. **Description of Generating Resource:** At the time of offer submittal, the applicant must provide:
- a. a to-scale Site Map of the generating resource showing the arrangement of all major components of the facility with the name of the facility, nameplate capacity, longitude and latitude of the centroid of the generating resource clearly labeled, in addition to labeling major cross streets and clearly marking the outer boundary of the facility, all Assessor Parcel Numbers included in and adjacent to the facility, and any environmentally sensitive areas;
  - b. a Single Line Diagram which includes the generating resource’s point of interconnection on the electric distribution system; and
  - c. a 8760 profile of expected generation output from the proposed Facility.
- XIV. **Energy Storage:** A proposed generating resource may include storage in compliance with the current version of the CEC RPS Eligibility guidebook where the storage device is integrated into the generating resource such that the energy storage device is capable of storing only energy produced by the generating resource, either as an intermediary form of energy during the generation cycle or after electricity has been generated.
- Regarding co-located renewable energy and storage, MBCP has the following preferences:
    - i. a minimum daily dispatch capacity of four (4) hours.
    - ii. Buyer to serve as the Scheduling Coordinator or contract with a Scheduling Coordinator and to maintain all dispatch rights.
    - iii. Bids to include a “\$/MWh” energy price for renewable energy delivered and a

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- “\$/kW-mo” capacity price for the storage capacity provided.
- iv. projects size preference from a minimum 1 MW to 3 MW



- XV. **Scheduling:** Unless a renewable energy facility includes energy storage, MBCP has a strong preference for the Seller to serve as the Scheduling Coordinator or contract with a Scheduling Coordinator for the Product to be scheduled in the day-ahead market. In the case that energy storage is included, MBCP prefers to maintain Scheduling Coordinator responsibility and dispatch rights

