

# **3CE Request for Proposals (RFP) for Locally Sited Renewable and Energy Storage Projects**

Bidder's Webinar

January 29, 2021

1:00 to 2:00 pm PPT



# RFP Overview

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## 3CE's Pathway to 100% Clean and Renewable by 2030

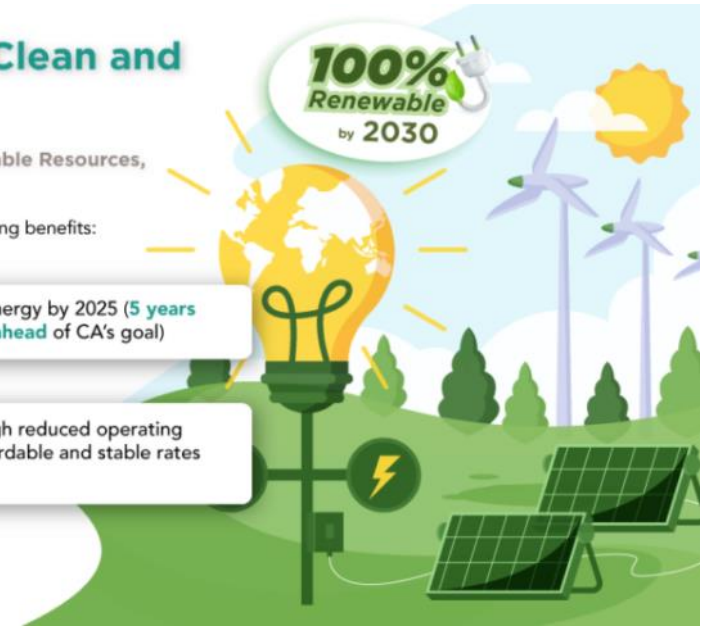
Supporting Affordable Rates, Increasing Renewable Resources, and Accelerating Greenhouse Gas Reduction

3CE's new energy-supply strategy will provide the following benefits:

3CE's goal is to reach 60% clean and renewable energy by 2025 (5 years ahead of CA's goal) and 100% by 2030 (15 years ahead of CA's goal)

Financially beneficial to customers and 3CE through reduced operating costs of \$8-15 million/year allowing for more affordable and stable rates while supporting economic development

Learn more at  
[3cenergy.org/understanding-clean-energy/](https://3cenergy.org/understanding-clean-energy/)



# Central Coast Community Energy (3CE)



3CE, formerly Monterey Bay Community Power Authority, is a Community Choice Aggregator established in 2017. 3CE has an A credit rating from S&P.

3CE currently serves residential, commercial and agricultural/industrial customers in communities located within the unincorporated areas of the counties of Monterey, San Benito, Santa Barbara (Northern) and Santa Cruz and the Cities of Arroyo Grande, Capitola, Carmel, Del Ray Oaks, Gonzales, Greenfield, Grover Beach, Guadalupe, Hollister, Marina, Monterey, Morro Bay, Pacific Grove, Paso Robles, Pismo Beach, Salinas, San Juan Bautista, San Luis Obispo, Sand City, Santa Cruz, Santa Maria, Scotts Valley, Seaside, Soledad and Watsonville.

Later in 2021, 3CE will begin serving the unincorporated areas of the county of Santa Barbara (Southern) and the Cities of Carpinteria and Goleta, located within the SCE service territory.



# Objectives of this RFP

- Increase Grid-Reliability and Local Resiliency
  - Getting projects built within the 3CE service territory
  - Adding more energy storage capacity to the grid alleviates or mitigates the Duck Curve problem
- Meet 3CE's Board-adopted procurement strategy of achieving 100% Renewable Power Supply by 2030, 15 years ahead of state mandate.
- Obtain fixed price energy supply to reduce our market price cost exposure.

# RFP Process

- **RFP Issued / Question & Answer Period:**
  - 3CE issued our local RFP on January 19, 2021
  - Participants may submit questions concerning the RFP to [PSolicitations@3CE.org](mailto:PSolicitations@3CE.org) and may continue to do so until February 12, 2021. Answers to questions will be posted to 3CE's RFP webpage.
- **Proposals Due:** Proposer's Proposal (s) must be submitted by the **February 17, 2021 5:00 PM PPT** deadline and include the required documents described in the protocol.
- **Phase 1 – Review, Score and Rank Proposals:** 3CE staff will score and rank all compliant Proposals
- **Phase 2 – Further Analysis:** Top-scoring Proposals will be modeled to assess fit and value. Best fit and highest value Proposals may be selected for contract negotiations (Shortlisted).
- **Phase 3 – Negotiations and Execution:** 3CE will negotiate PPAs or ESAs with Shortlisted proposers with the intention of executing said agreement(s). 3CE may execute agreement(s) with selected a participant(s) at any time during the negotiation phase or may choose to execute none at all.
  - The submitted Term Sheet will be utilized to create proforma PPA or ESA
  - Final Execution of PPA(s) or ESA(s) is contingent on gaining approval from 3CE's Operations Board of Directors

# RFP Schedule

Activity	Scheduled Date
Issuance of RFP	January 19, 2021
Bidder's Webinar	January 29, 2021 at 1:00 PM
Deadline to submit questions	February 12, 2021 at 5:00 PM
Deadline to submit proposals	February 17, 2021 at 5:00 PM
Proposal clarification contact period (Tentative)	February 18 to March 10, 2021
Notification of final shortlisted bidders (Tentative)	March 31, 2021
PPA Negotiations	April through August 2021
Final contract approval	September 2021

*All Dates after the submission deadline are tentative and subject to change*

# Proposal Type Options

Developers may choose to submit a proposal for either, or both, of the following proposal types.

- Proposal Type 1 (“P1” or “PPA”)-Proposals for 3CE to purchase locally-sited clean and renewable energy, project sizing of 20 MW or larger, through a long-term (>10 years) power purchase agreement (“PPA”)
- Proposal Type 2 (“P2” or “ESA”)-Proposals for 3CE to purchase locally-sited stand-alone energy storage system, project sizing of 1 MW or larger, in front of the meter, through an energy storage agreement (“ESA”) of at least 5 years in length.

# Proposal Type 1 Requirements

## (Renewable energy and energy storage option)

Eligible Resources	RPS Eligible PCC1 Resources
Project Attributes	Capacity, Energy, Environmental Attributes/Renewable Energy Credits (RECs), and Ancillary Services associated.
<b>Project Location</b>	<b>The project must be located within 3CE's service territory</b>
Site Selection	At minimum, a specific potential site must be identified upon submittal
Delivery Term	COD no later than December 31, 2026. Minimum of 10 years
Schedule Coordinator	3CE prefers to be the Schedule Coordinator
Price & Settlement	All-in Energy Price Fixed Price (\$/MWh) - No escalator Priced at the Project Pnode (i.e., the CAISO pricing node assigned to the generator) <u>and</u> the associated Trading Hub (NP15 or SP15). Capacity Price (\$/kW-month), if applicable, for added energy storage - No escalator
Energy Storage Option	Highly encouraged for Solar resources. Non-degrading batteries. Price submitted as \$/kW-month.
Minimum Capacity	20 MW or greater, storage should be no less than 25% of generating capacity



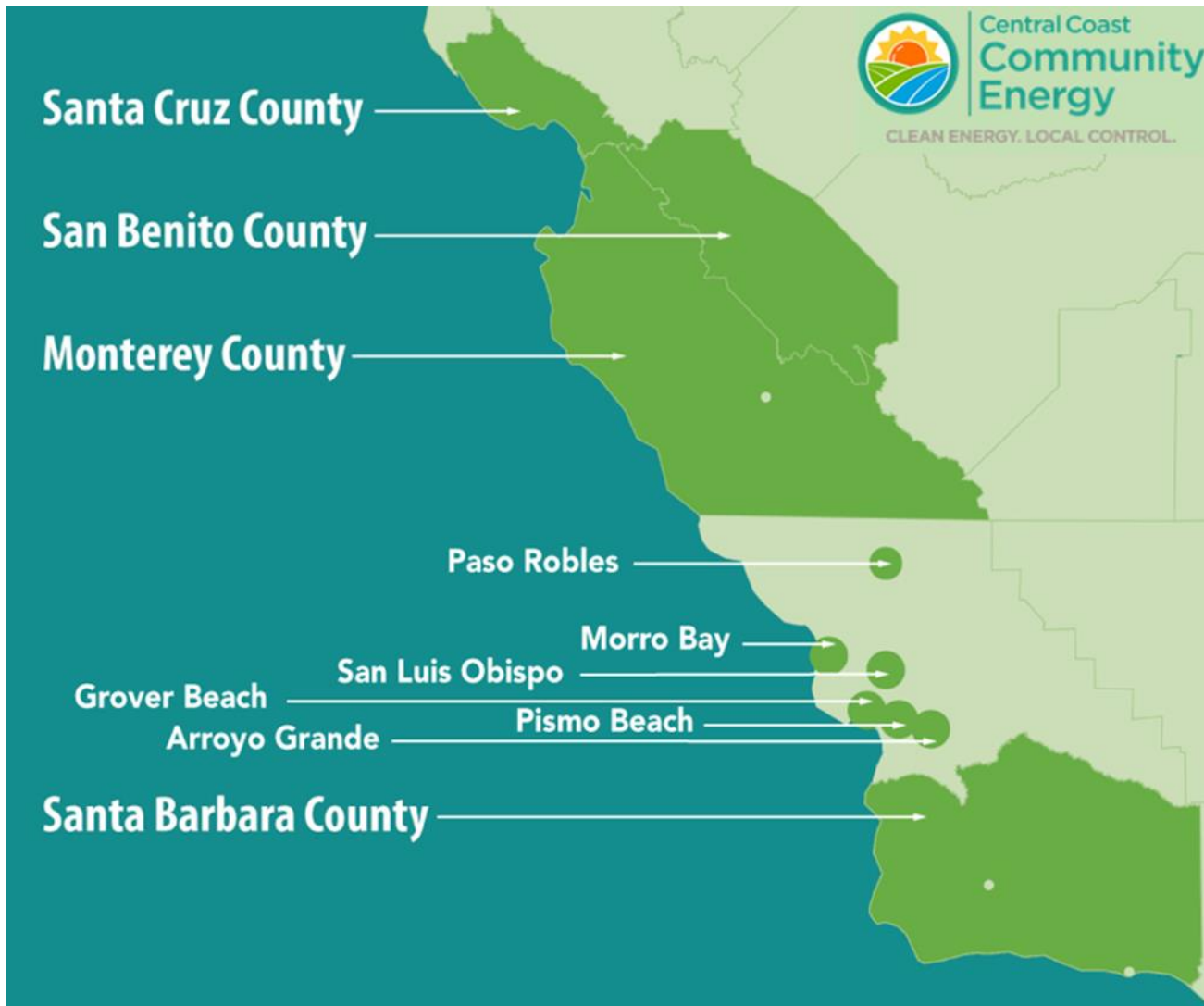
# Proposal Type 2 Requirements (Stand-alone energy storage)

Eligible Resources	Grid-charging, in-front-of-the-meter*, energy storage projects
Project Attributes	Full Toll: Capacity, Energy, Ancillary Services and RA counting rights RA Only: RA counting rights
<b>Project Location</b>	<b>The project must be located within 3CE's service territory</b>
Site Selection	At minimum, a specific potential site must be identified upon submittal
Delivery Term	COD no later than December 31, 2026. Minimum of 5 years
Schedule Coordinator	Full Toll: 3CE prefers to be the Schedule Coordinator RA Only: Not applicable
Price & Settlement	Capacity Price (\$/kw-month) - No escalator
Discharge Duration	Minimum of 4 hours
Minimum Capacity	1 MW or greater. Aggregation of multiple in-front-of-the-meter projects will be considered.

\*in-front-of-the-meter refers to a metering configuration that is on the grid side and visible to the grid manager (CAISO). Conversely, behind-the-meter refers to metering on the energy user's side, and thus not visible to the CAISO.



# RFP Locally-Sited Requirement



- Proposed project must be physically located within 3CE's service territory
- At minimum, a specific potential sight must be identified.

# RFP Submission Requirements

- Required Submittal Documents

- Appendix A – Completed Offer Form
- Appendix B – Completed/Marked Up Term Sheet

There are separate Appendices A and B for each Proposal Type. Make sure to complete the appropriate forms.

- Proposal Type 1 is for locally-sited clean and renewable energy projects
- Proposal Type 2 is for locally-sited stand alone energy storage
- Appendix C – Completed Project Specifications form
- Executive Summary – 2 pages maximum

Submit to [PSolicitations@3CE.org](mailto:PSolicitations@3CE.org) on or before February 17, 2021 at  
5:00 PM

**Proposals failing to submit these items will be deemed Non-Compliant.**



# RFP Evaluation, Scoring, and Ranking

After the removal of non-compliant proposals, the RFP evaluation process will consist of two phases for each proposal type:

- Phase 1: All compliant proposals will be scored by a committee comprised of members of 3CE staff and ranked according to a quantitative and qualitative assessment. Qualitative components include developer experience in delivering similar projects, technology and project viability, environmental impact and stewardship, and workforce development.
- Phase 2: Top-scoring proposals will be modeled to yield a final, in-depth understanding of their expected performance. These results will reveal the highest-value resources for 3CE to potentially shortlist. Selected proposal(s), if any, will be contacted to enter into an exclusive negotiating agreement.

# RFP Shortlisted Proposals

The following items will be due within 7 business days of notification that your Proposal has been Shortlisted\* to move to the Negotiation phase of this RFP:

- 1) An executed Exclusive Negotiating Agreement
- 2) An executed Non-Disclosure Agreement
- 3) Receipt of the required Offer Deposit (\$3/kW)

*\* If more time is needed after Shortlisting notification, vendors may request an extension before the 7-day window has expired. 3CE will notify vendors if the extension can be granted.*

