



Open Season 2016

Please review the Open Season materials posted online:
<http://mcecleanenergy.org/energy-procurement/>.

Email any questions you may have during the Webinar to:
procurement@mcecleanenergy.org

December 15, 2015





Open Season 2016

Greg Brehm

Director of Power Resources | Marin Clean Energy

December 15, 2015



Agenda

- MCE Overview & Description of CCA Service Model
- Open Season Overview & Identification of Changes for 2016 Process
- Description of Requested Products & Key Requirements
- Proposal Evaluation
- Response Preparation & Additional Information
- Questions



MCE Overview

Marin Clean Energy, California's first Community Choice Aggregator was formed in December 2008 and commenced service in May 2010

Current membership: All of Marin County including the 11 towns/cities located therein, the cities of Richmond, El Cerrito, and San Pablo in Contra Costa County, Unincorporated Napa County, and the City of Benicia in Solano County

≈170,000 customers; ≈1,800 GWh/year



Charter Goals/Objectives:

- Reduce GHG emissions through clean energy supply portfolio
- Increase RE supply with emphasis on local resource development

RE Procurement & Local Program Administration:

- Open Season (annual)
- Feed-In Tariff (ongoing- Participatory cap expected to be expanded to 15 MW; One 972 kW project currently delivering under contract, 6 projects in queue totaling 4.7 MW)



MCE – Service Model



MCE buying and building energy supplies

PG&E delivering energy, repairing lines, and serving customers

YOU benefitting from cleaner energy, stable costs, and local control

Customers receive one bill from PG&E:

MCE procures energy, replaces PG&E generation charges on customer bills

PG&E maintains Transmission and Distribution function and bills for such services



MCE Open Season – Purpose

- Additional RE purchases will be necessary to meet future demand of MCE customers:
 - MCE will continue to exceed the CA RPS standard
 - Minimum in-state delivery requirements increase from 50% to 85% (of total RE deliveries)
 - MCE aspires to maximize in-state renewable procurement, with an emphasis on Local projects, sited in or near MCE service territory
 - MCE transition to 100% autonomous supply portfolio in 2018
- MCE and RE project developers/marketers benefit from a standardized procurement process with clearly defined requirements
- Ongoing procurement, consistent with annual Integrated Resource Plan:
 - Cost stability
 - Cost minimization
 - Technological diversity
 - Supplier diversity



MCE Open Season – Changes for 2016

- MCE is increasing renewable energy purchases with the goal of supplying Light Green customers with 80 percent renewable energy by 2025.
- MCE will incrementally increase its overall carbon-free energy content to 95 percent of all customer energy deliveries.
- MCE’s voluntary 100 percent renewable energy Deep Green service option, will consist of primarily bundled RE products.
- MCE is advancing the its current Open Season process, initiating requests for offers in December, 2015 (rather than February, 2016).
- Offers for requested products must be received by the following dates:

| <u>Product</u> | <u>Offers Due</u> |
|--|--------------------------|
| PCC1 (“Bucket 1”) deliveries in 2016 | Monday, January 11, 2016 |
| Carbon-Free Energy: deliveries in 2016 | Monday, January 11, 2016 |
| PCC1 (“Bucket 1”) deliveries in 2018 | Tuesday, March 1, 2016 |
| PCC3 (“Bucket 3”) deliveries in 2016 | Tuesday, March 1, 2016 |
| PCC2 (“Bucket 2”) deliveries in 2016 | Monday, May 2, 2016 |



MCE Open Season Highlights

MCE is requesting four specific products in the 2016 Open Season:

- Portfolio Content Category 1 (“Bucket 1”) eligible renewable energy
- Portfolio Content Category 2 (“Bucket 2”) eligible renewable energy
- Portfolio Content Category 3 (“Bucket 3”) eligible renewable energy
- Carbon-free energy supply (hydroelectric)

MCE will require selected respondent(s) to submit a Shortlist Deposit of \$3.00 per kilowatt upon their acceptance of shortlisting status (*only applicable for new projects not yet online*).

MCE will not accept/discuss contract changes that impose additional credit requirements on the Authority or its Members. Any request for such a change after shortlisting will result in supplier disqualification and forfeiture of any shortlist deposit.



MCE Open Season – Requested Products

RPS Qualified Products:

| Marin Clean Energy Resource Balance | | | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| Dec-15 | | | | | | | | | | |
| *RPS open positions are based on MCE's internal renewable procurement targets, which exceed state-wide mandates | | | | | | | | | | |
| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
| Energy Requirements (GWh) | | | | | | | | | | |
| Retail Load | 1,857 | 1,870 | 1,884 | 1,897 | 1,911 | 1,924 | 1,938 | 1,951 | 1,965 | 1,969 |
| Renewables Open Position (GWh) | | | | | | | | | | |
| Portfolio Content Category 1 | 45 | 31 | 44 | 425 | 473 | 515 | 563 | 610 | 658 | 705 |
| Portfolio Content Category 2 | 188 | 254 | 268 | 283 | 299 | 314 | 328 | 343 | 357 | 371 |
| Portfolio Content Category 3 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 58 |
| Total Renewables Open Position (GWh) | 290 | 342 | 370 | 766 | 829 | 887 | 949 | 1,011 | 1,072 | 1,134 |

Carbon free supply (typically sourced from hydroelectric generators located within California or the Pacific Northwest).

| Marin Clean Energy Resource Balance | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Dec-15 | | | | | | | | | | |
| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
| Energy Requirements (GWh) | | | | | | | | | | |
| Retail Load | 1,857 | 1,870 | 1,884 | 1,897 | 1,911 | 1,924 | 1,938 | 1,951 | 1,965 | 1,969 |
| Additional Carbon Free Open Position (GW) | 80 | 51 | 206 | 215 | 223 | 232 | 240 | 249 | 257 | 264 |

Questions? Comments?

Email your questions to:

procurement@mcecleanenergy.org

Final Questions due by December 22 at 5pm PST.

**Reponses will be posted to the MCE website on
December 24, 2015.**

MCE Evaluation of Responses

Projects will be ranked based upon the following criteria:

- Project location & local benefits, i.e. local hiring & prevailing wages
- Interconnection status, queue position & RA deliverability status
- Siting, zoning, permitting status
- Price
- Resource type & proposed product, i.e. PCC1, PCC2, etc.
- Qualifications of project team
- Demonstrated experience w/ Union Labor and Project Labor Agreements
- Environmental impacts & related mitigation requirements
- Financing plan & financial stability of project owner/developer
- Acceptance of MCE's standard contract terms
- Development milestone schedule

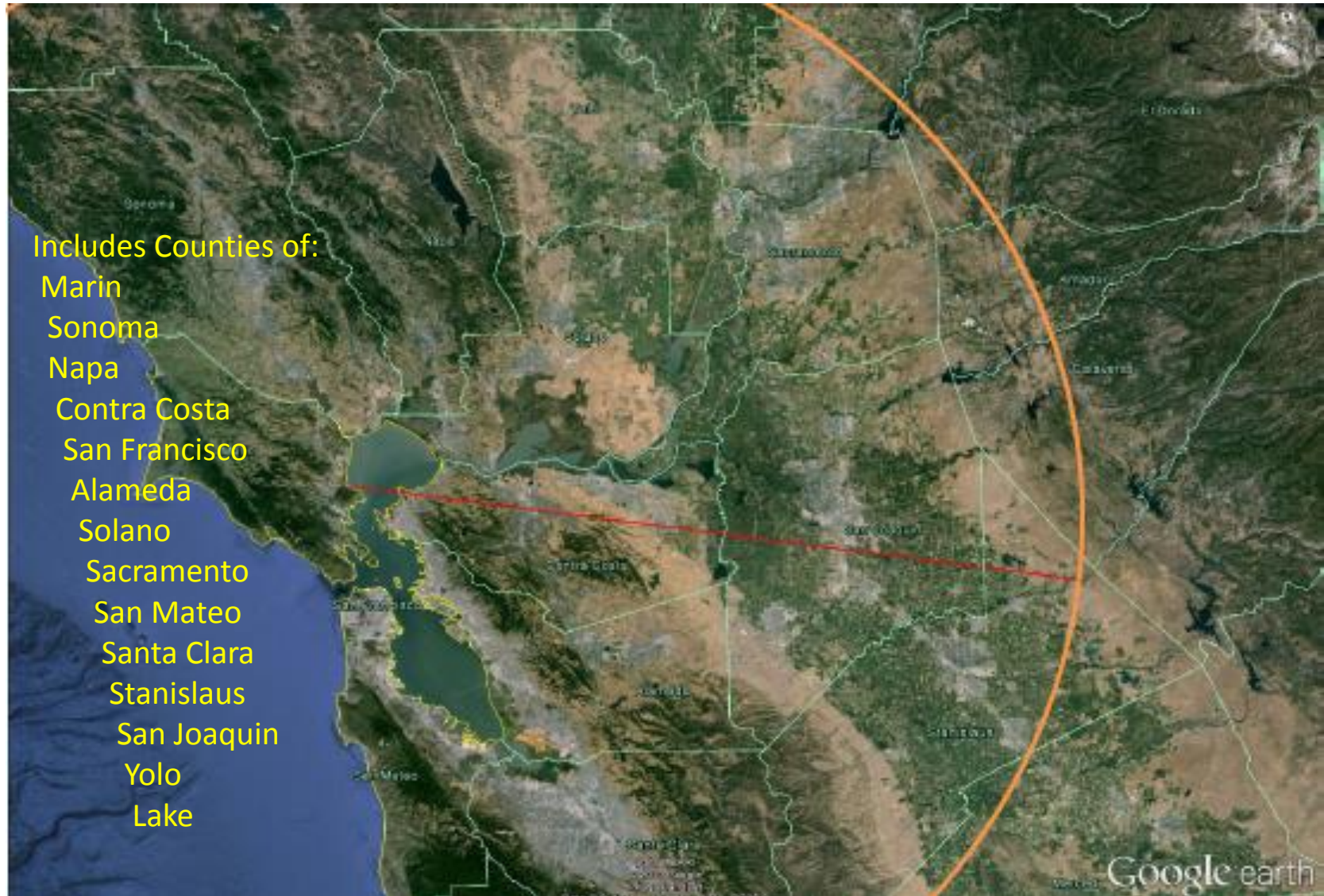
Project proponents with multiple sites and/or project configurations are encouraged to limit submittals by identifying the “best matched” opportunities for MCE. Such determinations should be made in consideration of the aforementioned criteria.



MCE PCC 1 Resource Location Preference

Includes Counties of:

Marin
Sonoma
Napa
Contra Costa
San Francisco
Alameda
Solano
Sacramento
San Mateo
Santa Clara
Stanislaus
San Joaquin
Yolo
Lake



MCE Open Season – PCC 1 for 2016

Key Requirements: Product: PCC1-eligible; in-state (only NP15 POIs)

Preference given to resources located in proximity to Marin County & the Greater Bay Area Local Resource Area

- Minimum capacity: 1 MW AC
- Annual energy limitations:

| Delivery Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------------|------|------|------|------|------|------|------|------|------|------|
| GWh | 45 | 31 | 44 | 425 | 473 | 515 | 563 | 610 | 658 | 705 |

Initial date of delivery: No sooner than January 1, 2016

- Term of agreement: Not less than 1 year; not more than 25 years
- Pricing:
 - 1) Index Plus REC Premium – A single fixed REC premium for each MWh of electric energy delivered from the proposed resource plus the hourly day-ahead market clearing price per MWh. (required)
 - 2) Single, flat price/MWh throughout contract term (voluntary)
 - 3) Alternative pricing options (voluntary)



MCE Open Season – PCC 1 for 2019

Key Requirements: Product: PCC1-eligible; in-state (only NP15 POIs)
w/preference given to resources located in proximity to Marin County
/ Greater Bay Area Local Resource Area

- Minimum capacity: 1 MW AC
- Annual energy limitations:

| Delivery Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---------------|------|------|------|------|------|------|------|------|------|------|
| GWh | 425 | 473 | 515 | 563 | 610 | 658 | 705 | 705 | 705 | 705 |

Initial date of delivery: No sooner than October 31, 2018

- Term of agreement: Not less than 2 years; not more than 25 years
- Pricing:
 - 1) Single, flat price/MWh throughout contract term (required)
 - 2) Index Plus REC Premium – A single fixed REC premium for each MWh of electric energy delivered from the proposed resource plus the hourly day-ahead market clearing price per MWh. (voluntary)
 - 3) Alternative pricing options (voluntary)



MCE Open Season – PCC 2

Key Requirements:

- Product: PCC2-eligible; WECC-located, preference to resources located in proximity to California, Substitute Energy exclusion for coal or nuclear fuels.
- Annual energy limitations:

| Delivery Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------------|------|------|------|------|------|------|------|------|------|------|
| GWh | 188 | 254 | 268 | 283 | 299 | 314 | 328 | 343 | 357 | 371 |

- Initial date of delivery: No sooner than Jan 1, 2016
- Term of agreement: Not less than 1 year; not more than 3 years
- Pricing:
 - 1) Index Plus REC Premium – A single fixed REC premium for each MWh of electric energy delivered from the proposed resource plus the hourly day-ahead market clearing price per MWh. (required)
 - 2) single, flat price/MWh throughout contract term (required)
 - 3) alternative pricing options (voluntary)



MCE Open Season – PCC 3

Key Requirements:

- Product: PCC3-eligible; WECC-located, preference to resources located in proximity to California, Substitute Energy exclusion for coal or nuclear fuels.
- Annual energy limitations:

| Delivery Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------------|------|------|------|------|------|------|------|------|------|------|
| GWh | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 58 |

- Initial date of delivery: No sooner than Jan 1, 2016
- Term of agreement: Not less than 1 year; not more than 3 years
- Pricing:
 - 1) Fixed Price– A single fixed price per REC (required)
 - 2) single, flat price/MWh throughout contract term (required)
 - 3) alternative pricing options (voluntary)



MCE Open Season – Carbon Free

Key Requirements:

- **Product: Carbon Free;** WECC-located w/preference given to resources located in proximity to California/Marin County
- Minimum capacity: 1 MW AC
- Annual energy limitations:

| Delivery Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------------|------|------|------|------|------|------|------|------|------|------|
| GWh | 80 | 51 | 206 | 215 | 223 | 232 | 240 | 249 | 257 | 264 |

- Initial date of delivery: No sooner than Jan 1, 2016
- Term of agreement: Not less than 1 year; not more than 3 years
- Pricing:
 - 1) single, flat price/MWh throughout contract term (required)
 - 2) alternative pricing options (voluntary)
- Point of delivery: NP15 trading hub (per CAISO)



MCE Open Season – Response Prep

- Only electronic submittals will be accepted
- Respondents must use designated response templates (available online):
- *Information provided in template must be complete*
- *Only one product per response template tab (copy worksheet to new tab for additional product proposals)*
- *Include supporting documents i.e., use permits, interconnection agreements, site control, development references, financing plan*
- *Any proposed PPA contract changes must be submitted (as attachment to response), (redlines after shortlisting is grounds for disqualification/rejection)*
- Questions: Procurement@mceCleanEnergy.org



MCE Open Season – Response Prep

- **Email Responses due no later than 5:00 P.M. (Pacific) on Monday, Jan 11**
 - PCC1 (“Bucket 1”) deliveries commencing in 2016
 - Carbon-Free Energy: deliveries commencing in 2016
- **Email Responses due no later than 5:00 P.M. (Pacific) on Tuesday, March 1**
 - PCC1 (“Bucket 1”) deliveries commencing in 2018
 - PCC3 (“Bucket 3”) deliveries commencing in 2016
- **Email Responses due no later than 5:00 P.M. (Pacific) on Monday, May 2**
 - PCC2 (“Bucket 2”) deliveries commencing in 2016
- **Questions: Procurement@mceCleanEnergy.org**



MCE Open Season – Additional Information

Anticipated schedule:

Responses due per schedule on previous slide

- Response evaluation and supplier interviews: 30 days of offer receipt
- Short-list & Contract negotiation: 60 to 90 days of offer receipt

Administration:

- Questions: procurement@mceCleanEnergy.org
- MCE website: <http://mcecleanenergy.org/>
- MCE procurement website: <http://mcecleanenergy.org/energy-procurement/>
- Download overview, response templates and form PPA
 - Stay informed regarding process and document updates, schedule changes, etc.



Questions? Comments?

Email your questions to:

procurement@mcecleanenergy.org

Final Questions due by December 22 at 5pm PST.

**Reponses will be posted to the MCE website on
December 24, 2015.**