



Request for Offers for Community Choice Aggregation Power Supplies

Agreement Number: CS-1032

Pre-bid Conference Call

August 19, 2015

3:00 PM Pacific

You may review RFO materials at: <http://www.sfwater.org/bids/>
Please email questions you have about the RFO to: RFP@sfwater.org

Agenda

- Welcome
- About the SFPUC and CleanPowerSF
- RFO Overview
 - Description of Products Requested
- Proposal Requirements
 - Proposal Format, Evaluation Criteria and Schedule
- Questions



About the SFPUC

- The SFPUC is a department of the City and County of San Francisco, providing:
 - Great tasting water [[Water Enterprise](#)]
 - Award winning sewer services [[Wastewater Enterprise](#)]; and
 - Clean power to customers in San Francisco and municipal operations [[Power Enterprise](#)]
- Annual operating budget of approximately \$700 million
- Power Enterprise
 - Responsible for full suite of retail services and wholesale power sales
 - AA-/A+ long-term bond ratings from Fitch/Standard and Poor's

About CleanPowerSF

- A program of the SFPUC adopted originally in 2004 by the San Francisco Board of Supervisors
- Created pursuant to state legislation:
 - Authorizes local governments to form “Community Choice Aggregation” (CCA) programs to buy/sell electricity on behalf of residents and businesses
 - Requires incumbent investor-owned utility (Pacific Gas and Electric Co.) to provide transmission, distribution and billing services
- SFPUC plans to phase-in service to City and targeting early 2016 launch

RFO Overview

- Seeking bids for energy, renewable energy and resource adequacy to meet Phase 1 supply requirements
 - Projected load to be 30-50 MW (avg.) and 300-440 GWh/yr
- Seeking renewable energy to meet 50% of projected Phase 1 annual sales (approx. 150-220 GWh/yr) with California RPS-certified resources that meet Portfolio Content Category 1 (“PCC 1”) eligibility criteria
- CleanPowerSF’s financial obligations under the contract(s) will be backed by either a guaranty of an investment grade-rated entity or a letter of credit from an investment grade-rated bank

Products Requested

Bid Option 1: Firmed and Shaped Energy

- Firmed Shaped Renewable and Conventional Energy

Bid Option 2: Renewable Energy

- Firmed and Shaped Renewable Energy
- Unit Contingent As-Available Renewable Energy

Resource Adequacy (RA) Capacity

- System RA, Local RA, and a sufficient quantity of Flexible RA (from qualified generating resources) located within NP 15

Energy Bid Option 1

Bid Option 1: Firmed and Shaped Energy

- Shaped energy products consistent with the quantities, delivery periods, and renewable content quantities specified in Bid Workbook [**Attachment B-1**]
- Term length 3 to 5 years
- Deliveries must commence no later than March 1, 2016
- All renewable resources in the supply mix must be RPS eligible and meet PCC 1 delivery requirements
- Minimum of 25% of renewable energy deliveries must *also* be Green-E Energy eligible
- Product carbon content must be no more than the annual values set forth in Attachment A, using the prescribed calculation methodology
- Neither coal-fueled, nor nuclear generation will be permissible
- Prices bid shall be all-inclusive and must include a fixed \$/MWh price for each year of the term and specify \$/MWh premium for renewables
- ***See RFO for complete list of bid requirements***

Energy Bid Option 2

Bid Option 2: Renewable Energy

- Firmed/Shaped OR As-Avail. Renewable Energy [**Attachment B-2**]
- Firmed/Shaped bids shall provide fixed hourly quantities as standard blocks of energy (24x7, 6x16) or an alternative delivery shape
- Contract terms shall be one (1) to twenty five (25) years
- Deliveries no sooner than March 1, 2016, no later than April 30, 2018
- Energy-only and fully deliverable resources acceptable
- Total annual deliveries shall be at least 5 GWh up to 100 GWh
- Must include 2 pricing options: (1) a fixed \$/MWh price for delivery to the generator node; and (2) a fixed \$/MWh price for delivery to NP 15
- Green-E Energy eligible resources preferred
- Resources in California and nine (9) Bay Area counties preferred
- Must provide operating track record and project development information requested in Section 4.2.2
- **See RFO for complete list of bid requirements**

RA Capacity

- System RA, Local RA, and Flexible RA (from qualified generating resources), located within NP 15
- Local RA is to be provided/scheduled from resources located within the PG&E “Greater Bay Area” and the “Other PG&E” local capacity areas
- Minimum RA quantity of 1 MW, up to RA quantities specified in Bid Workbook [**Attachment B-3**]
- Minimum delivery term of one (1) year and up to five (5) years
- Deliveries commencing no sooner than March 1, 2016
- Prices must be offered on a fixed \$/kW-month basis, for each year of the proposed term
- Separate pricing shall be provided for each RA product
- ***See RFO for complete list of bid requirements***

Proposal Format

- Written Proposal, describing
 - Proposed products offered
 - Respondent organization, key personnel and operations
 - Respondent's overall ability and qualifications to deliver product(s) bid
 - Respondent's financial viability and credit support to be provided
 - A statement that Respondent agrees to fully comply with all applicable San Francisco, State and Federal laws
- Completed Bid Worksheet(s) (Attachments B-1, B-2 and/or B-3)
- Bid must be signed by an authorized representative, and delivered to SFPUC by 5:00 PM Pacific on Sept 3

Evaluation Criteria

The SFPUC will evaluate bids provided in response to this RFO to establish a balanced, viable portfolio of supply for the CleanPowerSF program.

Development of the portfolio will consider criteria, ***including but not limited to:***

Qualifications and Experience

- Experience and track record (years of experience; volume of energy supplied)
- Financial strength and viability of Respondent

Total Cost of Bid and Value

- Proposal pricing
- Value of energy and non-energy attributes
- Impact on CleanPowerSF's start-up costs, residual market exposure, financial risk and collateral requirements

Project Viability

- Likelihood of project's ability to deliver energy to the City
- Documented project development progress and schedule for completion (new projects)

Resource Location and Portfolio Compatibility

- Monthly energy production and capacity fit
- Contribution to portfolio diversity
- Located in California or 9 Bay Area Counties



RFO Schedule

Activity	Date
RFO Issuance	August 11, 2015
Pre-bid Conference Call	August 19, 2015
Deadline for Questions	August 24, 2015
Responses Due	September 3, 2015
Shortlisting & Notification of Oral Interviews (Bid Option 1)	September 14, 2015
Interviews (Bid Option 1)	September 21, 2015
Proposers Recommended for Contract Award (all bidders)	September 22, 2015
SFPUC Approval to Execute Contracts*	October 13, 2015
Best and Final Offer	October 14-31, 2015
Target Contract Execution Date	October 31, 2015

*Contracts resulting from this RFO may require additional City approvals which the City anticipates will occur in the Fourth Quarter of 2015. If additional City approvals are required, the Best and Final Offer and Target Contract Execution Date will be adjusted accordingly.

Questions?

Michael Hyams
San Francisco Public Utilities Commission
Interim Director, CleanPowerSF

Please email questions you have about the RFO to:

RFP@sfgwater.org

Please refer to Agreement Number: CS-1032