



SOUTHERN CALIFORNIA EDISON COMPANY

SEP 2020 RA Solicitation

2020 Resource Adequacy (RA)
Capacity and Import Capability Solicitation

Solicitation Instructions

September 17, 2020

EMAIL INQUIRIES

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Note: These Solicitation Instructions and the Non-Disclosure Agreement (NDA) limit Respondents' ability to engage in communications with any other actual or potential participants in this Solicitation concerning this Solicitation. The NDA is provided in Exhibit A, which must be partially executed and submitted to SCE by Respondent no later than the Offer Submission Deadline, unless a fully executed evergreen NDA between Respondent and SCE already exists.

In the event that a Respondent desires to (a) act as a marketing agent for a third party, (b) act as a credit sleeve for a third party, or (c) otherwise act as an agent or representative of a third party, in each case with respect to any Offer in the Solicitation, such Respondent and the third party should contact SCE and seek a waiver or amendment of such confidentiality provisions, which SCE may or may not grant in its sole discretion. Such Respondent and the third party should be prepared to provide SCE with a written description of the proposed relationship between such parties and the proposed structure of their Offers. SCE reserves the right, in its sole discretion, to disqualify those Respondents that have not complied with the provisions of this paragraph. Additionally, all market participants must take precautions to avoid anti-competitive behavior and to comply with all California and federal antitrust laws.

1. Summary

Southern California Edison Company ("SCE") is conducting this solicitation to facilitate Year-Ahead (YA) Resource Adequacy (RA) compliance showing for year 2021. SCE will therefore prioritize transactions relating to 2021 compliance requirements and require such counterparties to be pre-enabled (i.e. executed EEI with SCE) and for government entities to submit a Certificate of Authority (reference Section 6.3 & Exhibit C) by the offer due date.

SCE seeks offers from parties ("Respondents") to buy, sell, or swap Resource Adequacy ("RA") Capacity and/or Import Capability for Delivery Periods commencing **January 1, 2021 to December 31, 2025**, as further defined in Article 2 of these Solicitation Instructions. This solicitation hereafter will be referenced as the "September 2020 RA Solicitation", "Sep20 RA sol", "RA-Solicitation", "Solicitation", or "Solicitation".

The purpose of this document (the "Solicitation Instructions") is to provide Respondents with the product definition, schedule, submittal instructions, and the terms and conditions of Respondents' participation in this Solicitation. All offers will be reviewed for completeness and conformity, and evaluated on a competitive basis.

Capitalized terms not defined in these Solicitation Instructions have the meanings ascribed to them in the applicable Exhibits hereto or the current California Independent System Operator Corporation (“CAISO”) tariff and protocol provisions, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” as amended or supplemented from time to time (the “CAISO Tariff”).

SCE will utilize an independent evaluator, Merrimack Energy (the “IE”), in connection with this Solicitation.

2. Products Solicited

The eligible products for this Solicitation are RA Capacity and RA Import Capability with Delivery Periods shown below, each of which referred to as a “Product” and collectively as the “Products”.

2.1. RA Capacity

The RA Capacity must be from existing generating units that have a Net Qualifying Capacity (“NQC”) assigned by the CAISO and must be able to count toward RA requirement with the California Public Utilities Commission (“CPUC”). New generating units that have not completed construction and do not have an NQC are not eligible to participate in this Solicitation. The following table provides a summary and description of eligible RA Capacity product for this Solicitation.

Solicitation Table 1: RA Capacity

Product	RA Capacity		
Delivery Point	CAISO		
Type	Local or System, with or without Flexible Capacity. (Refer to offer workbook for available local areas and additional details)		
Minimum Volume	1 MW		
Price	Fixed (\$/kW-month)		
Contract Options	SCE Sale	SCE Purchase	SCE Swaps Local (SCE sells) for System (SCE buys)
Offer Increment	Monthly	Monthly	Aug – Oct strip, all months inclusive

Eligible Delivery Periods	Jan-Jul 2021 Nov-Dec 2021, Jan-Jul 2022, and Nov-Dec 2022	Jan 2021 through Dec 2025	Aug – Oct 2021, and/or Aug – Oct 2022
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Offer Variants – Respondents are encouraged to submit multiple offers with varying delivery periods and contract options. These varying offers could include different volume options and delivery terms. Such variations may enhance a Respondent’s ability to receive a final award within the Solicitation. Respondents are not permitted to increase their Offer price for any Product after the Offer Submission Deadline.

SCE Purchase – Respondents submitting Offers to sell RA Capacity to SCE must either own or have a contractual right to the qualifying and deliverable RA Capacity for the delivery period specified. Offers must specify the Unit(s) for the available RA Capacity.

SCE Swap – SCE will sell Local RA Capacity and purchase System RA Capacity. Available Local RA for swap include LA Basin, Big Creek Ventura, San Diego, Bay Area, NCNB, and Fresno. **Important:** Note that Swaps will transact based on the cost difference (premium) between the buy and sell transactions. The independent posting amount if applicable will be based on the SCE sell side of the transaction.

OTC Units – Offers to sell once-through-cooling (“OTC”) to SCE will require CPUC Approval via a Tier 3 Advice Letter. For this reason, offers involving OTC Unit(s) will be limited to Delivery Periods commencing August 1, 2021.

RA Confirmation & EEI – RA purchases and sales will transact through the terms described in the RA Capacity Confirmation (the “SCE Pro Forma RA Confirmation”), attached hereto as Exhibit B1, which shall be a confirmation under an executed EEI Master Power Purchase & Sale Agreement, Cover Sheet, EEI Collateral Annex, and Paragraph 10 to the Collateral Annex if required (collectively “Enabling Agreement”), between SCE and Respondent. For RA Swaps, additional terms will apply as indicated in the SCE Pro Forma RA Confirmation.

Enablement Agreement Requirement – Respondents submitting offers for year-ahead compliance showing (with Delivery Periods between January 2020 and December 2021) must have an effective Enabling Agreement with SCE as of the Offer Submission Deadline, and Respondents are expected to be able to accept SCE’s Pro Forma RA Confirmation.

2.2. Import Capability Transfer Purchase and Sales

RA Import Capability must be for specified CAISO interties that can be used to deliver RA into the CAISO Balance Authority Area. Respondent may submit an Offer to sell to SCE, or buy from SCE, the right to deliver RA from specific CAISO interties into the CAISO Balance Authority Area. These rights are CAISO intertie specific and do not include any RA capacity, energy, or ancillary services.

Table 2: Import Capability Transfer Product

Products	Import Capability Transfer
Intertie Delivery Points	PACI_MSL (COB) / NOB_ITC (NOB) PALOVRDE_ITC (PV) / MEAD_ITC (MEAD)/ MONAIPPDC_ITC (MONA)
Minimum Volume	1 MW
Pricing	Fixed Price (\$/kW-month)
Contract Options	SCE Purchase or SCE Sale
Offer Increment	Monthly
Eligible Delivery Period	January 2021 – December 2021

Respondents submitting an Offer to sell this Product to SCE must either own or have the contractual right to the Product for the Delivery Period specified in Table above.

Import Capability Product shall transact through the terms described in the “SCE Import Capability Transfer Confirmation,” attached hereto as Exhibit B2, and executed in accordance with the EEI Agreement.

3. Solicitation Schedule

The following are key dates associated with this Solicitation.

TIMELINE	EVENT
September 17, 2020	Solicitation launch
September 24, 2020 12:00 PM (Noon) Pacific Time	“Offer Submission Deadline” Respondents must submit completed Offers, a partially executed NDA (if not previously executed), any proposed change to the pro forma Confirmation, and a COA (if applicable).

TIMELINE	EVENT
By October 09, 2020	“Selection Notification” Selection notice will be provided to Respondents identifying the Offers selected. SCE’s selection of an Offer is subject to final SCE management review and approval, consultation with SCE’s Procurement Review Group (“PRG”), and successful execution of the Confirmation.
October 23, 2020	“Contract Execution” for Year-Ahead Compliance Transactions Deadline for Respondent and SCE, as applicable, to execute final Confirmation(s) for Year-Ahead RA compliance transactions.
November 20, 2020	“Contract Execution” for 2023/2024 Product Deadline for Respondent and SCE, as applicable, to execute final Confirmation(s) for all transactions inclusive of a 2023 and/or 2024 delivery period.
January 15, 2021	“Execution Deadline & Solicitation Close” Deadline for Respondent and SCE, as applicable, to execute final Confirmation(s) for all transactions.

Unless stated otherwise in the above table, deadlines will be set at close of business (5:00 p.m. pacific time). SCE reserves the right to revise this schedule at any time and in SCE’s sole discretion.

4. Eligibility Requirements

Respondents to this Solicitation must comply with the requirements in these Solicitation Instructions. Respondents that fail to comply with the requirements in these Solicitation Instructions may be deemed ineligible and their Offers may not be considered.

SCE, in its sole discretion, may change the terms, requirements, and schedule of this Solicitation.

By participating in this Solicitation, the Respondent specifically acknowledges the following:

1. If Respondent is deemed eligible to submit an Offer, any Offer submitted by Respondent is considered a final Offer and cannot be modified by Respondent. SCE however reserves the right to clarify and further refine all offers at its sole

discretion, including but not limited to Product type, parameters, price and quantity.

2. Respondents may enter into limited negotiations to execute an agreement with SCE. Respondents are strongly discouraged from making any substantive changes to the form of Confirmations attached as Exhibits to these Solicitation Instructions (collectively, the "Agreements"). Extensive modifications to these Agreements will not be accepted. SCE, in its sole discretion, will determine whether any proposed modification or alteration to these Agreements are material and reserves the right to decline to execute any agreement with a selected Respondent for any reason.

Mutually inclusive Offers across generating units that have the **same** attributes are allowed (e.g., Offer A for generating Unit 1 (Big Creek-Ventura) with flexible capacity and Offer B for generating Unit 2 (Big Creek-Ventura) with flexible capacity). If making a mutually inclusive Offer across generating units, Respondent must also submit discrete Offers for those generating units. SCE will have the option to either select the mutually inclusive Offer or the discrete Offers separately.

5. Credit Requirements

SCE requires that Respondents post collateral (either cash or a letter of credit) for SCE's exposure above an unsecured credit line, if any. Only investment grade-rated Respondents are eligible for an unsecured credit line. Alternatively, a Respondent may be eligible for an unsecured credit line by providing a guaranty from an investment grade-rated corporate parent (the "Guaranty"). A form of such guaranty can be provided by SCE upon request. SCE will not accept a Guaranty from third parties that are not affiliated with the Respondent. Respondents that are not rated or are rated below investment grade shall be required to post collateral for all of SCE's exposure in addition to an independent amount.

SCE is a California load-serving utility with investment grade credit ratings and substantial tangible net worth. Any Offer that requires SCE to post collateral will be rejected by SCE.

SCE reserves the right to disqualify Respondents that are unwilling or unable to meet these credit requirements.

Use of a funds transfer agent and a Funds Transfer Agent Agreement (“FTAA”) in order to fulfill payment obligations may not fulfill SCE’s collateral requirements. Respondents in such case will have to arrange for additional collateral.

6. Offer Submittal Instructions

IMPORTANT - The primary method for exchange of information or documents concerning this Solicitation, including any such exchange concerning the preparation or submission of Offers to SCE, will be with the PowerAdvocate® website:

<https://www.poweradvocate.com/appNavigator?navType=bidevent&okey=108649>

All participants interested in submitting Offers Solicitation will need to pre-register with PowerAdvocate®. Participants who do not have an existing PowerAdvocate® account must first register to create a username and password with PowerAdvocate® to receive access to the Solicitation materials (event code 108649). Users with an existing PowerAdvocate® account can readily access the Solicitation site and associated materials. For additional information on registering on PowerAdvocate®, please visit:

https://www.poweradvocate.com/WebHelp_Sourcing_Intel_Supplier/Content/Resources/Sourcing_Intel_Supplier_Guide.pdf

SCE strongly encourages participants to register with PowerAdvocate® well before Offers are due. PowerAdvocate® registrants should submit offers under the parent company of the entity, not its contractors, subcontractors, consultants, or agents.

For any registration or access issues, please contact support@poweradvocate.com

6.1. Submission of Offers

In order to have a complete and conforming Offer, Respondent must upload the following documents (“Solicitation Documents”) to the PowerAdvocate® website by the Offer Submittal Deadline.

1. A fully completed Offer Workbook or Workbooks;
2. A partially executed Non-Disclosure Agreement (NDA), unless Respondent already has in place an evergreen NDA with SCE (please note this on offer submittal);

3. A completed pro forma RA Confirmation (Exhibit B1), and/or a completed pro forma Import Capability Transfer Confirmation (Exhibit B2) with all the relevant data fields filled in. Only limited modification to these confirmations may be considered. Given the timeline associated with the offers required to satisfy year-ahead compliance obligations, modifications to SCE's pro forma for such transactions are not preferred;
4. If Respondent is a government entity, an unexecuted draft Certificate of Authority including all applicable exhibits.

All documents will be made available through the PowerAdvocate® site. All forms uploaded for consideration must be in their original format, i.e., not converted to a Portable Document Format (PDF); provided, signature pages of the NDA may be uploaded as a PDF. Failure to provide the listed information may result in the Offer being deemed non-conforming and may disqualify the Offer from further consideration.

SCE will not accept Offers received after the Offer Submittal Deadline. SCE will only consider submissions that, as of the Offer Submittal Deadline, constitute complete and conforming Offers. By responding to this Solicitation, each Respondent agrees to be bound by all terms, conditions and other provisions of this Solicitation (including these Solicitation Instructions) and any changes or supplements to it that may be issued by SCE.

6.2. Selection Notification

By the Selection Notification date, SCE will notify Respondents if their Offers have been contingently selected. Upon such contingent selection, such Offer becomes binding on Respondent and Respondent may not modify, alter, withdraw or otherwise revise such Offer. SCE selection is contingent upon consultation with SCE's Procurement Review Group ("PRG"), final SCE management review and approval, successful negotiation of the transaction documents, and SCE's execution and delivery of the applicable transaction documents.

6.3. Execution of Confirmations and Certificate of Authority

If Respondent is a government entity, Respondent agrees to execute a Confirmation and Certificate of Authority consistent with the terms of the Offer(s) and conditions as may be mutually acceptable. The Certificate of Authority must be executed by the Respondent on the same date as the RA Confirmation is

partially executed by the Respondent. The Confirmation will only be considered executed once authorized officers of both SCE and the Respondent have executed and delivered the Confirmation.

7. Evaluation Criteria

This Solicitation will utilize a single pricing value process to assess of all offers based on SCE's most recent market forecast. All Offers will initially be assessed for conformance with the requirements set forth in these Solicitation Instructions. Respondents are responsible for the accuracy of all figures, calculations, and representations. In addition to the foregoing, there will be both quantitative and qualitative considerations involved with evaluating Offers in accordance with the SCE Bundled Procurement Plan (BPP). Any Offer within this Solicitation will be considered a final Offer which cannot be modified by Respondent, and which shall be subject to SCE's acceptance, execution and delivery, as determined by SCE in its sole discretion.

7.1. Quantitative Evaluation

The valuation of each Offer considers cash flow components for both cost and revenue. These components are then netted and discounted to yield a Net Present Value ("NPV") for each Offer. The NPV is compared to other Offers or potential combinations of Offers to find the "Least Cost" selection set which meets SCE's minimum procurement obligation. SCE will then select a set of Offers with the goal of minimizing the cost to SCE's customers, while meeting the defined needs, subject to a set of constraints such as counterparty volume limits and inclusivity.

7.2. Qualitative Evaluation

In addition to the quantitative factors described above, there are other factors which may impact the selection of an Offer. These may include, among other factors, project viability, location within a Disadvantaged Community ("DAC"), flexible capacity attribute, local capacity attribute, changes to the Solicitation Documents, counterparty concentration and creditworthiness.

8. Communication & Independent Evaluator

As described for offer submittal, the primary communication method concerning this Solicitation will be by PowerAdvocate® using the link provided in Section 6 above. SCE

may, in its sole discretion, decline to respond to any email or other inquiry about the Solicitation without liability or responsibility.

8.1. Independent Evaluator

Questions regarding the integrity of the evaluation process or the role of the IE may be referred to Wayne Oliver or Keith Oliver of Merrimack Energy at the following e-mail address: Wayne.Oliver@merrimackenergy.com and Keith.Oliver@merrimackenergy.com.

9. Solicitation Confidentiality

With respect to SCE and the IE, information provided by Respondent to SCE and the IE for purposes of this Solicitation will be subject to (i) a fully executed Confidentiality Agreement and (ii) all applicable CPUC disclosure requirements including, CPUC D.06-06-066.

10. General Information & Reservation of Rights

- a) Any transaction resulting from this Solicitation will be documented in an executed applicable Confirmation under an executed Enabling Agreement between SCE and Respondent, as applicable.
- b) SCE may, in its sole discretion, enter into transactions with one or more Respondents submitting Offers.
- c) SCE may, in its sole discretion, request a Respondent to modify their price, Contract Quantity, and/or RA attributes Offered, or otherwise issue a counteroffer during the negotiation phase in this Solicitation.
- d) SCE may execute RA Confirmations with selected Respondents at any time during the negotiation phase or may choose to execute none at all.
- e) SCE retains the right, as determined by SCE in its sole discretion, to: (a) reject any Offer in the event the Offer does not provide adequate benefit to SCE's customers; (b) formulate and implement appropriate criteria for the evaluation and selection of Offers; and (c) negotiate with any Respondent in order to maximize the value for SCE's customers.

- f) In addition to the limitations on Offers set forth in these Solicitation Instructions, SCE reserves the right, in its sole discretion, to limit the number of Offers that can be submitted by any Respondent.
- g) Respondents are required to meet all the terms and conditions of the Solicitation to be eligible to compete in the solicitation process. Respondents are required to submit all requested information and follow all instructions contained in these Solicitation Instructions, including, but not limited to, submitting conforming Offers and Solicitation Documents in compliance with the Solicitation Schedule.
- h) By participating in this Solicitation, including, without limitation, by submitting an Offer, Respondent agrees to all terms, conditions, representations, warranties, and covenants in these Solicitation Instructions. Other than the representations, warranties and covenants made by Respondent in these Solicitation Instructions and the executed Confidentiality Agreement between SCE and Respondent, submittal of any document pertaining to this Solicitation, including, without limitation, one or more Offers, or receipt of any contingent selection, is not intended to, and does not, constitute a binding agreement of, or establish any obligation of SCE.
- i) SCE reserves the right, at any time and during this Solicitation in its sole discretion, to abandon, cancel, or otherwise terminate this Solicitation, to change any dates specified in this Solicitation, to change the basis for the evaluation of Offers, to terminate further participation in this process by any party, to accept any Offer, to enter into any agreement, to evaluate the qualifications of any Respondent or the terms and conditions of any Offer, to reject any or all Offers, to prohibit or limit mutually exclusive and mutually inclusive Offers, to change any form or document used in this Solicitation, waive any irregularities, and otherwise modify the Solicitation in any way, without notice and without assigning any reasons and without liability of Edison International, SCE, or any of their respective subsidiaries, affiliates, employees, officers, directors, other agents, and representatives.

SCE shall have no obligation to consider any Offer submitted by a Respondent. SCE will not reimburse any Respondent for any of its expenses related to this Solicitation under any circumstances, regardless of whether the Solicitation proceeds to execution of any transactions or is abandoned, canceled, terminated, or modified in any way, and regardless of whether or not SCE enters into a transaction with the Respondent. SCE shall not be

deemed to have accepted any such Offer, and shall not be bound by any term thereof, unless and until the Confirmation is fully executed and delivery by both Parties, including execution of such Confirmation by an authorized representative of SCE with respect to such Offer. With respect to Respondents who do not have applicable Enabling Agreements executed and effective prior to the time such Respondent submits an Offer, SCE shall not be deemed to have accepted any such Offer, and shall not be bound by any term thereof, unless and until an authorized representative of SCE executes a Confirmation and an Enabling Agreement with the Respondent. The establishment, update, or modification of any regulatory requirement which potentially impacts SCE's decision regarding selection of Offers may result in SCE revising any portion of any document related to this Solicitation, including, without limitation, the elimination of one or more products sought hereunder and/or revising the schedule set forth herein.

- j) SCE encourages Women-Owned, Minority-Owned, and Disabled Veteran-Owned Business Enterprises and Lesbian, Gay, Bisexual and/or Transgender Business Enterprises ("Diverse Business Enterprise(s)") to participate in the Solicitation. To be considered as a Diverse Business Enterprise, Respondent must provide a copy of a valid certificate that verifies Respondent's Diverse Business Enterprise status. Information on SCE's diversity supplier program can be found at: <https://www.sce.com/wps/portal/home/partners/buying-selling/supplier-diversity/>.

Diverse Business Enterprises are welcome to submit Offers into this Solicitation and FTAA's may be considered. However, depending on the term, quantity, and the resulting exposure related to any Offers, an FTAA may not fulfill SCE's collateral requirement in which case additional collateral will have to be arranged.

Further, as provided in Section 6.3 of CPUC General Order 156, SCE's Supplier Diversity efforts include encouraging its Respondent's to develop plans to utilize Diverse Business Enterprises subcontractors. SCE can help Respondent's with identifying Diverse Business Enterprises for subcontracting opportunities.

11. Respondent's Waiver of Claims & Limitation of Remedies

By participating in this Solicitation, including, without limitation, by submitting an Offer:

- a) Respondent acknowledges and agrees that it is knowingly, voluntarily, and completely waiving any rights under statute, regulation, state or federal constitution, or common law to assert any claim, complaint, or other challenge in any regulatory, judicial, or other forum, including, without limitation, the CPUC (except as expressly provided below), the Federal Energy Regulatory Commission ("FERC"), the Superior Court of the State of California ("State Court") or any U.S. District Court ("Federal Court") concerning or related in any way to this Solicitation or any unexecuted documents related to this Solicitation, including, without limitation, all exhibits, attachments, and appendices thereto ("Waived Claims").
- b) Respondent acknowledges and agrees that if it asserts any Waived Claim at the CPUC, FERC, State Court, or Federal Court, or otherwise in any forum, to the extent that Respondent's Offer has not already been disqualified, SCE is entitled to automatically disqualify such Offer from further consideration in the Solicitation or otherwise, and further, SCE may elect to terminate the Solicitation.
- c) Respondent acknowledges and agrees that the sole forum in which Respondent may assert any challenge with respect to the conduct or results of the Solicitation is at the CPUC and that: (1) the sole means of challenging the conduct or results of the Solicitation is a complaint filed under Article 4, Complaints and Investigations, of Division 2, Chapter 2 of Title 20, Public Utilities and Energy, of the California Code of Regulations, (2) the sole basis for any such complaint shall be that SCE allegedly failed in a material respect to conduct the solicitation generally consistent with these Solicitation Instructions; and (3) the exclusive remedy available to Respondent in the case of such a complaint shall be an order of the CPUC that SCE engaged in conduct that the CPUC determines was not generally consistent with these Solicitation Instructions or any documents related to this Solicitation (including exhibits, attachments, and appendices).
- d) Respondent expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs and/or attorneys' fees. Unless SCE elects to do otherwise in its sole discretion, during the pendency of such a complaint, the Solicitation

and any related regulatory proceedings related to the Solicitation will continue as if the complaint had not been filed, unless the CPUC issues an order suspending the Solicitation or SCE has elected to terminate or suspend the Solicitation or any portion thereof.

- e) Respondent acknowledges and agrees that if Respondent asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Respondent's claim, complaint, or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in these Solicitation Instructions and that Respondent will not challenge or oppose such a motion to dismiss (or similar procedural device).
- f) Respondent acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, Respondent shall pay SCE's full costs and expenses incurred in seeking such dismissal or transfer, including, without limitation, reasonable attorneys' fees and expenses.
- g) Respondent agrees to indemnify and hold SCE harmless from any and all claims by any other party asserted in response to the assertion of any Waived Claim by Respondent and for reasonable costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by SCE or as a result of a Respondent's complaint filing at the CPUC resulting from the Solicitation.
- h) Except as expressly provided in the documents related to this Solicitation, nothing herein, including, without limitation, Respondent's waiver of any Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of SCE.
- i) In the event Respondent is deemed eligible by SCE to submit an Offer, Respondent submits an Offer, SCE notifies Respondent that SCE accepts such Offer and there is a dispute related to the terms of any such Offer, such dispute shall be resolved in accordance with the terms of the dispute resolution provisions set forth in the Solicitation Documents which were part of such Offer.

12. Respondent's Representations, Warranties & Covenants

By participating in this Solicitation, including, without limitation, by submitting an Offer, Respondent (A) agrees to be bound by the conditions of the Solicitation, including the

terms of these Solicitation Instructions; and (B) makes the following representations, warranties, and covenants to SCE, which representations, warranties, and covenants shall be deemed to be incorporated in their entireties into each of Respondent's Offers:

- a) Respondent has read, understands, and agrees to be bound by all terms, conditions, and other provisions of the Solicitation Documents.
- b) Respondent has had the opportunity to seek independent legal and financial advice of its own choosing with respect to the Solicitation, the Solicitation Documents, and these Solicitation Instructions, including any exhibits to such documents.
- c) Respondent has obtained all necessary authorizations, approvals and waivers, if any, required by Respondent to submit its Offer and, (a) required to enter into and execute, if necessary, any necessary Enabling Agreements in the form of the applicable Enabling Agreements negotiated with SCE and (b) required to enter into a Transaction with SCE under the applicable executed Enabling Agreement (if required) for the respective products, in the form of the Confirmation, as applicable, negotiated with SCE.
- d) Respondent's Offer complies with all applicable laws and regulations.
- e) Respondent (a) has not engaged, and covenants that it will not engage, in any communications with any other actual or potential participant in the Solicitation concerning this solicitation, price terms in Respondent's Offer, or related matters, without disclosure to SCE and a waiver by SCE of any applicable confidentiality provisions, including, but not limited to those set forth in the Confidentiality Agreement and these Solicitation Instructions, and (b) has not engaged in collusion or other unlawful or unfair business practices in connection with this Solicitation.
- f) Each Offer submitted by Respondent (a) is an Offer subject only to SCE's contingent selection, in SCE's sole discretion, and (b) in the event there is any dispute related to the terms of any such Offer, such dispute shall be resolved in accordance with the terms of the dispute resolution provisions set forth in the Solicitation Documents which were part of such Offer.
- g) The information and documents submitted by Respondent to SCE in connection with this Solicitation are true and accurate as of the date of Respondent's Offer submittal. Respondent covenants that it will promptly update such information upon any material change thereto.

13. Respondent's Offer & Acknowledgement

By participating in this Solicitation, including, without limitation, by submitting an Offer, Respondent acknowledges and agrees that:

- a) SCE may rely upon all of Respondent's representations, warranties, and covenants in this Solicitation (including, without limitation, in these Solicitation Instructions, in the Solicitation Documents and in any Offer submitted by Respondent);
- b) SCE may disclose information as set forth in the Confidentiality Agreement and as described in these Solicitation Instructions; and
- c) In SCE's evaluation of Offers pursuant to this Solicitation, SCE has the right to disqualify a Respondent that is unwilling or unable to meet SCE's credit requirements, or any other requirements of this Solicitation, as determined by SCE in its sole discretion.

BY PARTICIPATING IN THIS E-SOLICITATION, INCLUDING, WITHOUT LIMITATION, BY SUBMITTING AN OFFER, RESPONDENT ACKNOWLEDGES AND AGREES THAT ANY BREACH BY RESPONDENT OF ANY OF THE REPRESENTATIONS, WARRANTIES AND COVENANTS IN THESE E-SOLICITATION INSTRUCTIONS AND ALL OTHER E-SOLICITATION DOCUMENTS SHALL CONSTITUTE GROUNDS FOR IMMEDIATE DISQUALIFICATION OF SUCH RESPONDENT, IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE AVAILABLE TO SCE UNDER APPLICABLE LAW, AND DEPENDING ON THE NATURE OF THE BREACH, MAY ALSO BE GROUNDS FOR TERMINATING THE E-SOLICITATION IN ITS ENTIRETY, OR FOR PROHIBITING RESPONDENT FROM PARTICIPATING IN FUTURE SOLICITATIONS OR PLACING ADDITIONAL REQUIREMENTS ON RESPONDENT IN FUTURE SOLICITATIONS.

14. Exhibits

Exhibit A – SCE Non-Disclosure Agreement

Exhibit B1 – SCE Pro Forma RA Confirmation

Exhibit B2 – SCE Pro Forma Import Capability Transfer Confirmation

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