SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Request for Proposals for the Development of Community Solar Programs

Issuance Date: February 12, 2016
Response Deadline: April 14, 2016

Introduction

The Southern California Public Power Authority (SCPPA) is soliciting competitive proposals from respondents who are interested in assisting SCPPA member utilities with the development of Community Solar programs. According to the National Renewable Energy Laboratory (NREL), Community Solar is defined as “a solar-electric system that, through a voluntary program, provides power and/or financial benefit to multiple community members.” This community concept has been adopted by utilities, in increasing numbers each year, across the nation and has helped increase their customer engagement and access to renewable energy resources. With this RFP, SCPPA is seeking both the development of low cost solar generation projects that can supply renewable energy into a utility’s Community Solar program and third party turnkey Community Solar programs that offer energy and other program services such as, but not limited to, managing participation, coordinating bill crediting, and program administration. SCPPA is targeting proposals for solar renewable resources and turnkey programs up to five (5) MW-dc with commercial operation starting in 2016 and beyond. RFP responses may propose (i) project ownership by SCPPA, (ii) a power purchase agreement with an ownership option (or an equivalent commercial agreement with an ownership option), or (iii) a power purchase agreement without an ownership option (or an equivalent commercial agreement without an ownership option). All community solar renewable energy projects or products must be consistent with the California Renewable Energy Resources Program (Public Resources Code sec. 25740 et seq.) and the California Renewables Portfolio Standard Program (Public Utilities Code sec. 399.11 et seq.), including amendments enacted in 2011 by passage of California Senate Bill X1 2 (SBX1 2) and in 2015 by passage of California Senate Bill 350 (SB350), for the purpose of Community solar program development.

Background

SCPPA, a joint powers authority (JPA) and a public entity organized under the laws of the State of California, was created pursuant to the Government Code of California and a Joint Powers Agreement for the purpose of planning, financing, developing, acquiring, constructing, operating and maintaining projects for the generation or transmission of electric energy as well as procuring or otherwise obtaining associated products and services. SCPPA offers to its Members a “cafeteria style” opportunity where Member Agencies have the ability to
‘opt-in’ to projects based on their needs and interests. SCPPA has the ability to procure resources for the benefit of one or more of its Member Agencies.

SCPPA is governed by its Board of Directors, which consists of a representative from each of its Member Agencies. The management of SCPPA is under the direction of an Executive Director who is appointed by the Board.

Member Agencies are twelve publicly owned utilities that supply electric energy within Southern California, including the municipal utilities of the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District (Member Agencies).

Member Agencies’ electric utilities are governed by their respective city councils or other locally elected governing bodies. Many Members established voluntary goals to create Community Solar Programs and renewable targets, before SBX1 2 went into effect, including the percentage of renewable energy they wish to obtain within their resource portfolio. Some have set targets as high as 40% by the year 2020. Members have worked toward their interim targets of 20% renewable energy and are now updating their objectives to meet 33% by 2020 as mandated by SBX1 2. Recently enacted SB350 sets even higher renewables target of 50% by 2030. For Member Agencies, one of the key components of meeting their renewable energy goals has been the development of community solar programs.

SCPPA has an active working group focused on community solar development. This group has a representative from all twelve of the Member Agencies and meets once a month.

Ownership Participation

SCPPA is well positioned and experienced in facilitating joint ownership structures for renewable projects for the benefit of its Member Agencies. SCPPA can acquire an ownership interest in a project and sell 100% of the output to interested Member Agencies at its cost. SCPPA would also consider structures using power purchase agreements with energy prepayment and/or options to purchase the project during the term of the agreement. There is a strong preference by most of the Member Agencies for the ability to purchase a project during the term of the power purchase agreement.

RPS and EPS Compliance

SCPPA continues to seek cost effective resources to support our member utility goals and Renewable Portfolio Standard (RPS) objectives for 2016 and beyond. This RFP seeks to find the best combination of community based projects to deliver renewable energy from facilities that will be RPS compliant and compliant with the emissions performance standard (EPS) regulations adopted by the California Energy Commission (20 Cal. Code of Regulations section 2900 et seq.) upon commercial operation date (COD) and throughout the term of the agreement.

SCPPA requires that during the term of any agreement, the Seller shall assume the risk of maintaining and bringing the facility or project into compliance should there be a change in law that renders the facility non-compliant with either RPS or EPS. Since this is one of the critical elements of a renewable project or product for SCPPA, please describe how this risk would be assumed and addressed by Seller.
Proposal Delivery Requirements

One electronic copy of your proposal must be e-mailed to knguyen@scppa.org or delivered on CD or USB flash drive to the address below by no later than 5:00 p.m. on April 14, 2016. In addition, hard copy proposals can be provided (if desired) and sent to:

Southern California Public Power Authority
Attention: Kelly Nguyen
1160 Nicole Court
Glendora, California 91740

For general questions, please call the SCPPA offices at (626) 793-9364.

Clarification questions regarding this RFP may be addressed to Kelly Nguyen, Director of Energy Systems, at knguyen@scppa.org.

SCPPA members seek tangible and timely opportunities to add community solar to their generation portfolios and thus will not entertain research or speculative proposals.

No contact may be made with the Board of Directors, Committee Members, or SCPPA Member Agencies concerning this Request for Proposals.

All information received by SCPPA in response to this Request for Proposals may be subject to the California Public Records Act and the California Brown Act, and all submissions may be subject to review in the event of an audit.

Scope of Work

SCPPA is issuing this Request for Proposal (RFP) to create community-owned solar programs within or near Member utility service areas. The desired capacity of the program may be up to five (5) MW-dc. Each Member utility will purchase the full output of power produced by the photovoltaic solar facility and all associated renewable and environmental attributes, emissions reductions, credits, offsets, allowances or benefits, including but not limited to renewable energy credits (RECs), but exclusive of any tax credit associated with the ownership or operation of such facility. SCPPA and Members are interested in proposals from all potential respondents who are willing to provide one or more of the following:

1. Development of Community Solar Generating Facilities
   • Developer designs and procures equipment.
   • Member utilities may work with developer on design to ensure utility standards are met.
   • Developer works with labor and internal utility workforces to build solar facilities.
   • Locate solar generating facilities within Member service territory on utility, city or other recommended sites; alternative site locations outside of utility service territory may be considered. Facility may be a rooftop system, a new solar carport system, or, if outside of utility service territory, ground-mounted...
   Potential solar generating facility sites that should be priced in the proposal include:
     - 600 kW DC rooftop solar PV system
     - 350 kW DC solar PV system and new carport on a parking garage structure
     - 1 MW DC solar PV system and new carport on a parking lot (extra high clearance of at least 13 ft.
- Repowering of Riverside’s La Sierra Metrolink Station, 133.20 kW DC powered by 75 watt panels (utility-owned asset; does not require a PPA or ITC benefits)
- Repowering of Riverside’s Utility Operations Center, 151.20 kW DC powered by 75 watt panels (utility-owned asset; does not require a PPA or ITC benefits)
  
  - Interconnect with the member’s transmission/distribution system or CAISO.
  - Target commercial operation date of Q4 2016 to Q1 2017 (subject to site selection process).
  - Project sizes range from 350 kW-dc up to 5 MW-dc.
  - Developer takes advantage of federal tax credits and accelerated depreciation.
  - Member utility purchases renewable generation and renewable attributes through a power purchase agreement for inclusion into the utility’s community solar program.
  - SCPPA Member utilities prefer to own the solar project at some point after year five. Please provide purchase options at a minimum at Years 7, 10 and every 5 years after that.
  - Developer operates and maintains the solar facility until ownership is transferred to the utility.

2. Complete Turnkey Community Solar Program
   - Development of Community Solar Generating Facilities similar to number 1. (above).
   - Developer includes community solar program activities such as, but not limited to, marketing, sales, bill crediting, web platform for accessing information on the solar PV facility’s generation, and administration.
   - Provide automated, ongoing on-bill crediting that can integrate with the Member’s utility billing system.
   - Respondents may propose to operate and maintain the facility and community-owned solar program for the life of the facility.

3. Cafeteria Style Menu of Services
   - Provide pricing associated with services listed in #2 individually that might include marketing, sales, billing credits, etc. These individual services can be used to strengthen a Community Solar Program’s overall functionality.

**Timeline / Schedule**

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*Timeline/Schedule is subject to change at sole discretion of SCPPA.
Required Elements of Proposals

1. **Transmittal Letter:** Provide a brief statement of the Respondent's understanding of the work to be done and commitment to perform the work as scheduled, including a summary of any exceptions taken to the RFP requirements, such as the scope of work and specifications, and provide reference to any proposed contractual terms and conditions required by the Respondent. An officer authorized to bind must sign the proposal on behalf of the Respondent and must include the following declarations on the Transmittal Letter:

   "This proposal is genuine, and not sham or collusive, nor made in the interest or on behalf of any person not herein named; the respondent has not directly or indirectly induced or solicited any other respondent to put in a sham bid, or any other person, firm or corporation to refrain from submitting a proposal; and the respondent has not in any manner sought by collusion to secure for themselves an advantage over any other respondent."

2. **Applicant Information:** Provide the legal name of the company or entity making the proposal, the legal structure or form of the entity (e.g., Corporation, or LLC), physical address, e-mail address, telephone, and names and titles of individuals authorized to represent the Respondent.

3. **Renewable Category:** The only type of renewable energy generation that will be considered for this RFP is solar, including all photo-voltaic and photo-optic technologies where light is directly converted to electricity. As community programs evolve and utilities become more experienced in their implementation, other renewable projects (e.g., wind and biomethane) may be used in a community renewable program.

4. **Project Details:** If Respondent will develop a community solar facility, clearly identify the proposed project, including the following information:
   a. **Project Description:** Project name and location, and phases of development if applicable.
   b. **Contract Quantity:** In MW and GWh/year, and by project phase if applicable, including nameplate rating and proposed amount of energy to be delivered. Please provide all MW increment options available for the project.
   c. **Energy Price (variable):** Expressed in nominal dollars (as of the year of COD) in $/MWh, and itemized by cost components if applicable; the Energy Price, best and final, will start on the Commercial Operation Date (COD) and may include fixed price annual escalation rates or index plus fixed price component. Please provide all pricing structure options available, including a prepayment option. Include all assumptions used to develop the Energy Price.
   d. **Energy Price (fixed):** Expressed in nominal dollar value (as of the year of COD) in $/MWh, with no escalation thereafter. Include all assumptions used to develop the Energy Price.
   e. **Delivery Term:** Minimum term is 10 years with no maximum, as the various Member Agencies are seeking long-term delivery of energy. Please provide all delivery term options available.
   f. **Energy Availability:** Maximum and minimum monthly capacity factors, seasonal shapes, resource availability profile, reliability indices (reliability of the distribution system distribution indices to potentially Forced Outage Ratios or Planned Outage Ratios of generators), guarantees and scheduling requirements/limitations, if any.
   g. **Buyer’s Step in Right:** Include in the proposal SCPPA’s requirement that the buyer may assume or cure any default by the developer.
   h. **Point of Delivery (POD):** Cost of transmission to a delivery point shall be included in the cost of energy to a location where one or more of the SCPPA Members can receive energy. The
location(s) represent(s) where Member Agencies may have existing capacity rights. Other delivery points may be identified by Respondents on the condition that any and all associated costs of transmission ancillary services and scheduling are included up to the point of delivery. Note: Project evaluations will include the full cost of delivery to the customers of SCPPA Members within Southern California. The point of delivery to the CAISO must indicate whether the project qualifies for Resource Adequacy and/or Local Capacity Requirement capacity benefits.

i. **Environmental Attributes:** Ensure that SCPPA shall receive any and all environmental attributes associated with the generating facility and the energy output, including but not limited to renewable energy credits and air emission credits or offsets (i.e., Greenhouse Gas Credits, at the location of source and for the gross output of the plant or otherwise credited).

j. **Capacity Rights/Shared Facilities:** Ensure that SCPPA shall receive any and all capacity rights associated with the project and/or its produced energy.

i) Identify any energy and/or associated project capacity to be provided/committed to parties other than SCPPA.

ii) Identify any project-supporting/associated facilities that require shared use or third party access rights, such as intermediate distribution infrastructure, control rooms, or other intermingled facilities. Describe any controls or provisions to assure the continuation of the described project capacity, and other potential impacts on the proposed project.

k. **Ownership Options:** If the proposal includes an offer of ownership to SCPPA, describe the proposed ownership, terms and conditions, floors and ceilings for purchase prices at different option dates and operational structures (e.g., 100% SCPPA-owned turn-key, corporation, general partnership, or limited partnership).

i) In the case of an offer of initial ownership to SCPPA, a purchase price upon the COD shall be specified (and expressed as $/kW) along with an estimate of all recurring owner costs, including but not limited to operation and maintenance costs, taxes, lease payments, royalties, and insurance.

ii) In case of an offer of a power purchase agreement (PPA) with a purchase option, the proposal shall include (a) a delivered energy price, in $/MWh for the energy, environmental attributes and capacity (as cost of energy within Section 5.c. or 5.d.), (b) a buyout price or detailed formula to calculate such a buyout price for each future date on which a buyout would be offered; and (c) conditions for buyout, such as expiration of tax credits or other project events.

iii) For PPAs, terms up to the life of the facility will be considered.

l. **Project Plan to Commercial Operation Date:** Identify the proposed commercial operation date with a satisfactory major milestone schedule that includes at least the following:

i) Proposed schedule for obtaining and developing site access and control through executed leases, fee purchases, approvals, or other means.

ii) Details of any prior or existing settlements made for environmental mitigation and clearly identified post-construction or pass-forward mitigation obligations that would be forwarded to SCPPA in the event a contract is executed (e.g., reserve or offset land for environmental habitat or reconstruction).

iii) Proposed schedule for obtaining construction and operational permits and licenses, and construction financing.

iv) Proposed construction schedule, including major equipment purchasing, anticipated Factory Acceptance Testing of major components, Site Tests, commencement of test-energy and COD.

v) For projects or operations requiring water or make-up water, description of the water supply requirements and provisions for supply.

vi) Proposed schedule or application status to acquire necessary transmission and interconnection service.
vii) Description of whether and to what extent any environmental studies have been carried out with respect to the proposed project and how compliance with the California Environmental Quality Act (CEQA), might be effectuated, including, if the Project is located outside California, how Title 14 Section 15277 of the California Administrative Code is or will be addressed by the project.

5. Program Design: If Respondent is proposing a complete turn-key community solar program, please provide:
   a. Summary of overall program concept, including an infographic of all relevant entities and relationships, including but not limited to money flows and contractual agreements.
   b. Describe your turnkey program’s offer to customers (include all options available), and the program’s value proposition for customers including your recommended bill credit or line item payment approach and value required.

6. Experience: Respondent shall clearly identify project participants and management team including those responsible for design, construction, permitting, operations and maintenance.
   a. Describe your firm’s organizational structure, management qualifications, and other contract related qualifications, including number of years the firm has been in business.
   b. Specify key employees and describe their experience with the development, construction, finance closing, commercial operation, maintenance of similar projects, and/or experience with a turn-key community solar program model and the associated services (marketing, bill credit, etc.) as proposed by Respondent in response to this RFP.
   c. Provide current financial statements of all entities involved as Project participants or as part of the management team. This shall include items such as audited financial statements (not more than twelve months old) annual reports, FERC Form 1, and any other applicable financial information. If none of the above is available, Respondent shall provide verifiable financial statements for the past three (3) years if available, and Respondent’s Dunn & Bradstreet identification number, where available.
   d. Provide a commitment statement for the retention and use of key employees as proposed, their availability to initiate and sustain the proposal, as well as planned supplemental employees if key employees are not available to assure project delivery.
   e. Indicate any and all pending litigation that could affect the viability of Respondent’s proposal or Respondent’s financial stability.
   f. Identify existing projects in commercial operation that Respondent has developed and/or operates. Provide a list of references for similar projects completed, including a contact person, phone number and address.
   g. State whether Respondent will use subcontractors to perform services pursuant to the contract. Should the use of subcontractors be included, Respondent shall provide the same assurances of competence for the subcontractor, plus the demonstrated ability to manage and supervise the subcontracted work. Subcontractors shall not be allowed to further subcontract with others for work on this program. The provisions of this contract shall apply to all subcontractors in the same manner as to the Respondent.
   h. Describe the project/generation technology and technical resource data, including any studies or reports regarding the resource.
   i. Provide performance data for any past community solar project PV system(s) with nameplate capacity of at least 200 kW.
Terms and Conditions

1. If selected, SCPPA desires to enter into exclusive negotiations with respondent as may be facilitated through an execution of a Letter of Intent (LOI), Exclusivity Agreement or other agreements.

2. SCPPA reserves the right to cancel this RFP at any time, reject any and all proposals and to waive irregularities, if any.

3. SCPPA shall determine at its sole discretion the value of any and/or all proposals including price and non-price attributes.

4. Proposals may be sub-divided or combined with other proposals, at SCPPA's sole discretion.

5. SCPPA shall perform an initial screening evaluation to identify and eliminate any proposals that are, for example, not responsive to the RFP, do not meet the minimum requirements set forth in the RFP, are not economically competitive with other proposals, or are submitted by Respondents that lack appropriate creditworthiness, sufficient financial resources, or qualifications to provide dependable and reliable services for this RFP.

6. SCPPA reserves the right to submit follow up questions or inquiries to request clarification of information submitted and to request additional information from any one or more of the Respondents.

7. SCPPA reserves the right, without qualification and in its sole discretion, to accept or reject any or all proposals for any reason without explanation to the Respondent, or to make any award to that Respondent, who, in the opinion of SCPPA, will provide the most value to SCPPA and its Members.

8. SCPPA may decline to enter into any potential engagement agreement or contract with any Respondent, terminate negotiations with any Respondent, or to abandon the request for proposal process in its entirety.

9. Those Respondents who submit proposals agree to do so without legal recourse against SCPPA, its Members, their directors, officers, employees and agents for rejection of their proposal(s) or for failure to execute or act on their proposal for any reason.

10. SCPPA shall not be liable to any Respondent or party in law or equity for any reason whatsoever for any acts or omissions arising out of or in connection with this RFP.

11. SCPPA shall not be liable for any costs incurred by any Respondents in preparing any information for submission in connection with this RFP process or any and all costs resulting from responding to this RFP. Any and all such costs whatsoever shall remain the sole responsibility of the Respondent.

12. SCPPA may require certain performance assurances from Respondents prior to entering into negotiations for work that may result from this RFP. Such assurances may potentially include a requirement that Respondents provide some form of performance security.

13. Prior to contract award, the successful Respondent may be asked to supply a detailed breakdown of
the applicable overheads and fringe benefit costs that are part of the labor rates and other direct costs associated with the services to be performed.

14. SCPPA Members, either collectively or individually, may contact Respondents to discuss or enter into negotiations regarding a proposal. SCPPA is not responsible or liable for individual Members’ interactions with the Respondent which are not entirely conducted through SCPPA or at SCPPA’s option or election to engage the Respondent as defined within the RFP.

15. Submission of a Proposal constitutes acknowledgement that the Respondent has read and agrees to be bound by the terms and specifications of this RFP and any addenda subsequently issued by SCPPA.

16. Information in this RFP is accurate to the best of SCPPA’s and its Members’ knowledge but is not guaranteed to be correct. Respondents are expected to complete all of their due diligence activities prior to entering into any final contract negotiations with SCPPA.

17. SCPPA reserves the right to reject any Proposal for any reason without cause or explanation. SCPPA reserves the right to enter into an agreement with more than one Respondent, to choose not to contract with any Respondent with respect to one or more categories of services, and to choose to suspend this RFP or to issue a new RFP that would supersede and replace this RFP.

18. SCPPA reserves the right to negotiate definitive agreements including but not limited to power purchase agreements and other agreements with a Respondent with any and all terms and conditions that SCPPA and/or its Members deem appropriate or desirable, whether or not such terms or conditions are specifically set forth in this RFP.

Additional Requirements for Proposal

1. Consideration of Responses: Submitted proposals should be prepared simply and economically, without the inclusion of unnecessary promotional materials.

2. Insurance, Licensing, or other Certification: If selected, the Respondent will be required to maintain sufficient insurance, licenses, or other required certifications for the type of work being performed. SCPPA or its Members may require specific insurance coverage to be established and maintained during the course of work and as a condition of award or continuation of contract.

3. Non-Discrimination/Equal Employment Practices/Affirmative Action Plan: If selected, the Respondent and each of its known subcontractors may be required to complete and file an acceptable Affirmative Action Plan. The Affirmative Action Plan may be set forth in the form required as a business practice by project participant. (Applicable when LADWP is a potential project participant)

4. Prevailing Wage Rates: If selected, the Respondent will be required to conform to prevailing wage rates applicable to the location(s) where any work is being performed. Workers shall be paid not less than prevailing wages pursuant to determinations of the Director of Industrial Relations as applicable in accordance with the California Labor Code. To access the most current information on effective determination rates, Respondent shall contact:
5. **Child Support Policy:** If selected, Respondent may be required to comply with the City of Los Angeles Ordinance No. 172401, which requires all contractors and subcontractors performing work to comply with all reporting requirements and wage earning assignments and wage earning assignments relative to court ordered child support. *(Applicable when LADWP is a potential project participant)*

6. **Supplier Diversity:** Respondents shall take reasonable steps to ensure that all available business enterprises, including Small Business Enterprises (SBEs), Disadvantaged Business Enterprises (DBEs), Women-Owned Business Enterprises (WBEs), Minority-Owned Business Enterprises (MBEs), Disabled Veteran Business Enterprises (DVBEs), and other Business Enterprises (OBEs), have an equal opportunity to compete for and participate in the work being requested by this RFP. Efforts to obtain participation of these business enterprises may reasonably be expected to produce a twenty-five percent (25%) participation goal for SBEs.

7. **Equal Benefits Ordinance:** If selected, the Respondent may be required to comply with the City of Los Angeles requirements of the Equal Benefits Ordinance (“EBO”), codified at Los Angeles Administrative Code (“LAAC”) §10.8.2.1, which requires the Respondent who provide benefits to employees with spouses to provide the same benefits to employees with domestic partners. *(Applicable when LADWP is a potential project participant)*

8. **Contractor Responsibility Ordinance:** If selected, the Respondent may be required to comply with the City of Los Angeles requirements of the Contractor Responsibility Ordinance (“CRO”), codified at LAAC §10.40 et seq., which requires the Respondent and each of its subcontractors to comply with all federal, state, and local laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees. *(Applicable when LADWP is a potential project participant)*

9. **Sweat-Free Procurement Ordinance:** If selected, the Respondent may be required to comply with the requirements of the Sweat-Free Procurement Ordinance (“SFPO”), codified at LAAC §10.43 et seq., which requires the Respondent and each of its subcontractors to shun sweatshop practices and adhere to workplace and wage laws. *(Applicable when LADWP is a potential project participant)*

10. **Iran Contracting Act of 2010:** If selected, the Respondent may be required to comply with California Public Contract Code Sections 2200-2208, wherein all bidders submitting proposals for, entering into, or renewing contracts with Buyer for goods and services estimated at one million dollars ($1,000,000) or more are required to complete, sign, and submit the “Iran Contracting Act of 2010 Compliance Affidavit”. *(Applicable when LADWP is a potential project participant)*

11. **SCPPA-Furnished Property:** SCPPA or a Member’s utility drawings, specifications, and other media furnished for the Respondent’s use shall not be furnished to others without written authorization from
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SCPPA or the applicable Member(s).

12. **Contractor-Furnished Property:** Upon completion of all work under any agreement developed as a result of this RFP, ownership and title to reports, documents, drawings, specifications, estimates, and any other document produced as a result of the agreement shall automatically be vested to SCPPA and no further agreement will be necessary for the transfer of ownership to SCPPA. SCPPA has the sole right to distribute, reproduce, publish, license, or grant permission to use all or a portion of the deliverable documentation, work product or presentations as it determines in its sole discretion.