Addenda No. 1 & 2

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REQUEST FOR QUALIFICATIONS AND REQUEST FOR OFFERS

FOR

LONG-TERM RELIABILITY RESOURCES



Redwood Coast Energy Authority www.RedwoodEnergy.org

Solicitation issued September 29, 2021 Addenda issued October 20, 2021

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1 DEMAND RESPONSE ELIGIBILITY

Updated information on RCEA's Resource Adequacy position has shown that RCEA cannot accommodate additional supply-side demand response (DR) in its portfolio. Due to the Maximum Cumulative Capacity Category cap of 8.3% for DR and prior commitments RCEA has already made, DR and other behind-the-meter offers are no longer accepted under this solicitation.

The following documents have been updated on RCEA's website to reflect this change in redline format:

- RFQ-RFO Protocol
- Appendix C: Resource Adequacy Term Sheet

2 QUESTIONS & ANSWERS

2.1 PRODUCTS & CAPACITY QUESTIONS

1. Is RCEA looking only for RA-Only offers, or will you consider Toll-Only or other offer types?

RCEA seeks offers for either bundled energy, RA and RPS, energy storage services, or RA only. We are open to procuring ancillary services through tolling arrangements.

2. What is the MWh volume RCEA is looking for?

Although this solicitation is aimed at procuring capacity, RCEA will consider offers for renewable or carbon-free resources that can provide up to 200 GWh of annual energy, provided the project NQC meets our capacity procurement needs.

3. What is RCEA's maximum capacity appetite from 2023-2025, and the subsequent 7 years?

RCEA's maximum capacity appetite is for resources that can provide 32 NQC MW in September across the three years, according to annual amounts shown in the table in Section 4.5 of the RFQ-RFO Protocol. Apart from the long-term contracts RCEA anticipates executing from this solicitation for compliance with CPUC D. 21-06-035, RCEA does not have a capacity target for the subsequent seven years, given the substantial changes to California's Resource Adequacy Program currently underway. That said, we do plan to hedge a substantial portion of our energy needs through longterm contracts, some of which may include RA as an additional product.

4. Do you have a size limit in kW for submission?

No, there is no lower or upper size limit for offers, but offers larger than RCEA's stated compliance need are not likely to be considered.

5. What resources does "other capacity" refer to? Could a resource simultaneously meet the "September Net Qualifying Capacity" and the "Other Capacity" requirement?

"Other capacity" in the table presented in the webinar is a subset of RCEA's total procurement obligation in the "September Net Qualifying Capacity" row of the table. Other capacity simply refers to any resource that can deliver resource adequacy but does not otherwise meet the Diablo Canyon replacement capacity dispatch criteria outlined in CPUC D. 21-06-035. For all offers considered, September Net Qualifying Capacity will be the metric used for purposes of compliance with CPUC D. 21-06-035.

6. Do the MW need to be the same each year or could the MW step up for the first three years of the contract? For example, 2023 is 5 MW, 2024 is 7 MW and 2025 is 10 MW?

The offered MW do not need to be the same each year, but should be constant beyond 2025. An offer that increases each year from 2023 to 2025 would be favorable to RCEA.

2.2 COMMERCIAL OPERATION DATE QUESTIONS

1. If RCEA was able to procure the 32 MW of incremental NQC via a single project, would it be RCEA's preference for this capacity to come online in 2023, 2024, or 2025?

RCEA would prefer the capacity to come online prior to August 1, 2023 if from a single project, so that all three compliance tranches would be satisfied.

2. Is the COD flexible or bounded by the compliance tranche deadline?

The online date is somewhat flexible but must occur prior to June 1, 2025. That said, if the resource is large enough to meet RCEA's need in multiple tranches, then the online date should occur prior to the earlier compliance tranche deadline. RCEA's preference is for the expected COD to occur at least two months prior to the applicable compliance tranche deadline.

2.3 OTHER QUESTIONS

1. Would RCEA be opened to settlement in NP15?

Yes, RCEA encourages submission of pricing offers for settlements at the hub as well as at the resource pricing node.

2. *Will the shortlist interviews be conducted virtually or in person in December?* RCEA plans to conduct interviews virtually.