

***Transcript of CPA Scheduling Coordinator and
Congestion Revenue Rights Management RFP***

The following webinar took place on April 1, 2020 from 11:00 AM – 12:00 PM.

TESSA HAAGENSON: Welcome everyone to the Clean Power Alliance (“CPA”) webinar for the Scheduling Coordinator and Congestion Revenue Rights Portfolio Management Request for Proposal (“RFP”). We appreciate everyone joining us today. We want to make sure that this is a helpful experience for each of you as you prepare your responses for the RFP. Let’s move onto Slide 2.

Slide 2 shows our plan for the next hour. Before we get into the meat of the materials here, we are going to walk through some housekeeping notes to ensure that things go smoothly today. Then, we will introduce ourselves on the CPA side. So, I will now hand it off to Chris for some housekeeping comments.

CHRIS STEPHENS: Good Morning. Before we begin, I'd like to remind everyone attending today's webinar that this is not a listen-only webinar. Please ensure that your phones are muted. The same goes for your webcam or video.

All questions received during the webinar must be sent to the organizer in the chat window. Do not send your questions to the open chat window as everyone attending will see your name.

To access the chat window, locate the GoToWebinar Dashboard on your desktop. There are a few dropdowns in the GoToWebinar list such as Webcam, Audio, and Dashboard. All the way at the bottom of the list is the dropdown for "Chat." If the chat window is minimized, please click the little arrow to the left of the word "Chat" so that the chat box is available for typing in your questions.

The default for this chat box is "All - Entire Audience" chat. Do not submit questions there. Please use the "To:" dropdown to change the recipient to "Send questions to Staff." I will take note of your questions and we will field them during the webinar.

If you don't feel comfortable asking questions here at the webinar, you can always send us an email with your questions to contracting@cleanpoweralliance.org.

I'm going to turn it back over to Tessa now to kick off introductions.

TESSA HAAGENSON: There are four of us on the line today from CPA and we will all introduce ourselves. I am Tessa Haagenson, CPA's Power Origination Manager at CPA.

NATASHA KEEFER: I am Natasha Keefer, CPA's Director of Power Planning and Procurement.

CHRIS STEPHENS: I'm Chris Stephens, CPA's Manager of Non-Energy Contracts.

SEAN SWE: I'm Sean Swe, CPA's Manager of Load Forecasting and Analysis.

NATASHA KEEFER: Thank you again for your interest in CPA's Scheduling Coordinator and Congestion Revenue Rights Portfolio Management RFP. We're glad to have folks on the line and we appreciate your interest and participation in this webinar. I will spend a few minutes giving a brief overview of CPA. I will also talk a little bit about CPA's procurement portfolio. Just some background on CPA, we are a Community Choice Aggregator that serves the Los Angeles and Ventura Counties. CPA is a Joint Powers Authority made up of 32 local agencies, including unincorporated areas across of both Los Angeles and Ventura County.

CPA launched service to customers in February 2018. At that time, we had a phased enrollment. So, we enrolled different phases of our customers and have been fully serving our service territory as of May 2019. So, we are coming up to just about 1 year of serving all our customers. CPA is the fifth largest Load Serving Entity (LSE) in California and we are also the largest CCA. We serve about 1 million customer accounts in LA and Ventura county, which comes out to about 11,600 GWh of annual load. CPA is operating in a competitive environment. CPA competes with Southern California Edison and Direct Access providers to provide retail service to customers within our service territory. This is an important distinction because CPA is very focused on being efficient and providing excellent customer service in a best-in-class fashion.

Slide 7 is just a quick snapshot of CPA's service territory. You can see the geographic layout of our member agencies. For folks that are interested, all our member agencies are listed on CPA's website.

Now we will dive into CPA's procurement portfolio. CPA currently operate using a 3rd party provider for SC and CRR portfolio management services. As far as CPA's procurement portfolio goes, CPA doesn't own any generating assets and doesn't anticipate owning any generating assets during the term of this RFP. CPA contracts for all our various products and procurement obligations via contracts with 3rd parties, either through short-term contracts or long-term PPAs. We procure a variety of products including fixed-price energy hedges, resource adequacy, carbon-free energy, and renewable energy (PCC1 and PCC2 RECs). CPA has several hedges in place, so that's 300 IST contracts and we conduct our hedging monthly. So, every month we run a solicitation for fixed-price energy hedges and procure additional contracts on a monthly basis. A more detailed description of these products can be found in RFP Section II (Background).

Slide 10 shows an overview of CPA's long-term contracts. CPA has executed several long-term PPAs for wind, hydro, and solar energy resources totaling more than 600 MW. On the next slide, we'll show a breakdown of those contracts. CPA is in the process of negotiating additional long-

term contracts for renewable energy and energy storage. As a new load serving entity, CPA is doing a lot of procurement. Much of that procurement is focused on increasing CPA's long-term PPAs. There is a description in RFP Section II (Background) describing what CPA believes the projections are going to be for the new long-term contracts that CPA will bring online in the next few years and within the term of this contract period. CPA anticipates it will utilize its 3rd party provider as a scheduling coordinator for most of these new contracts.

Turning to Slide 11, here is a list of long-term contracts that CPA has executed to date. The list shows two long-term wind contracts, 1 long-term hydro, and 2 long-term solar. I'll also point here on the second line we have a short-term contract, but CPA is serving as the scheduling coordinator. For most of CPA's executed long-term contracts the seller serves as the SC. However, going forward CPA's will serve as the SC for the new long-term PPAs that we enter into.

TESSA HAAGENSON: The language on the following slides mirrors the language of the RFP very closely. So, I'm going to walk through these slides quickly. I won't read every word on the slide, but I will try to point out the relevant section of the RFP and highlight the key items.

On Slide 13, the scope of work for this RFP is both (i) scheduling coordinator services and (ii) congestion revenue rights portfolio management. We do want to highlight that proposers can bid for either SC services or CRR Portfolio Management. Alternatively, proposers may submit a bit that is inclusive of SC Services and CRR Portfolio Management.

On Slide 14, there is detailed information on the Scheduling Coordinator portion of the RFP. This language comes from directly from RFP Attachment A (Scope of Services), Section 1. We are looking for 7-day, 24-hour day-ahead and real-time SC services provision for transactions within CAISO, including energy, capacity, and ancillary services. Again, for the details on the SC tasks and deliverables, please see RFP Attachment A.

On Slide 15, this language comes from directly from RFP Attachment A. The following are the tasks and deliverables for the CRR portion of the RFP. At a high level, we are looking for bid strategy development and implementation, and CRR portfolio performance monitoring. The full details on the CRR tasks and deliverables are identified in the RFP Attachment A.

On Slide 16, the term of work is for services commencing on June 6, 2020 through October 31, 2022. CPA is referring to this term of work as the initial period. CPA is leaving open the window for a 1-year extension at the end of the initial period. There may also be some service provision during a transition period from June 6, 2020 until October 1, 2020. This term is defined as the transition period.

On Slide 17, CPA has mirrored the language of the RFP Section VI, subsection D (Proposal Evaluation Criteria). CPA is not including slides in this webinar deck directly addressing the evaluation process, but you may review the RFP for more information.

CHRIS STEPHENS: Thank you, Tessa. Like Tessa mentioned, the language on Slide 18 is taken directly from RFP Section VI, subsection A (RFP Schedule). I'll just point out that April 24, 2020 is the deadline for RFP proposals. Tessa will discuss the elements of a complete proposal in a second.

Moving onto to Slide 19. The information on this slide is also taken directly from the RFP Section VI, subsection B (Questions, Responses and Bidders' Webinar). I'll highlight that the deadline for questions is April 6, 2020 by 4 PM to contracting@cleanpoweralliance.org.

I want to add that proposers should ensure that they are submitting questions to contracting@cleanpoweralliance.org. If it is discovered that a Bidder contacts and receives information from any CPA personnel, board director or alternate outside of this Q&A process,

CPA may, in its sole determination, disqualify such Bidder's proposal from further consideration.

TESSA HAAGENSON: On Slide 20, I just want to emphasize that the due date for the proposals is April 24, 2020. When submitting your proposal to contracting@cleanpoweralliance.org, please ensure that the subject line says: SC and CRR RFP. Then, the bullets on the second half of Slide 21 are the components that we need to see in your submittals. You can see that CPA has included all the sections of the RFP that you can reference when preparing your proposal.

NATASHA KEEFER: For Attachment A (Plans to Meet Tasks and Deliverables), I also want to strongly recommend as thorough of a response to each of the deliverables as you can. This includes any examples of specific reports, interfaces, etc. This will reduce the need for follow-up when reviewing your proposals.

TESSA HAAGENSON: So, that wraps up the material portion of the webinar. We will hold for a couple minutes to receive questions from attendees.

(Brief Pause)

QUESTION: There was a reference to interfacing with CPA's systems. Can you elaborate on that?

NATAHSA KEEFER: Sure. Currently, CPA does not have its own ETRM system/deal capture system and we rely on our 3rd party SC to provide that function for us. One of the things that we will be looking for in the responses to the SC and CRR RFP is CPA's ability to access the information in the SC's ETRM system. Whether that is a live interface or regular reporting where we can get a data dump on our deals and access to interfaces to middle-office services as

described in Exhibit A. We also want to note that CPA is currently evaluating if we want to invest in our own ETRM system. One of the things that we would like the SC providers to respond to is how we would be able to function in parallel if CPA has its own ETRM system.

(Brief Pause)

QUESTION: Is CPA looking for on-demand access as opposed to regular reports that are provided weekly or some other period?

NATASHA KEEFER: I think the preference would be for on-demand access, but we can work with regular reports. In the RFP Exhibit A, CPA is specific about the deliverables that we want daily, weekly, or monthly. I would encourage you all to provide reports on the timeframe that we are requesting. The short answer is we could work with both options.

(Brief Pause)

CHRIS STEPHENS: Natasha, I don't have any more questions from attendees. I just want to remind all attendees that you can always submit a question to contracting@cleanpoweralliance.org. We'll hold here for a minute or two to see if any further questions come in. If not, I will turn it over to Tessa to close out the webinar.

(Brief Pause)

CHRIS STEPHENS: So, there are no further questions coming in at this time, so I will turn it over to Tessa to close out the webinar.

TERRA HAAGENSON: Thanks Chris. So, CPA would like to say thank you for attending the webinar for the Scheduling Coordinator and Congestion Revenue Rights Portfolio Management RFP. We are looking forward to reviewing the responses that we receive for this RFP.