

Los Angeles Community Choice Energy – Request for Proposals

Power Supply

LACCE Responses to Proposer Questions

August 28, 2017

1. September 4th is Labor Day. Will LACCE accept proposals on Tuesday, September 5th?
 - RFP Reference Language: Cover Page

LACCE Response: Yes, LACCE will extend the submission date to September 5th, 2017, at 5pm (Pacific Standard Time).

2. Can LACCE provide historical load data for the proposed Phase 1 load, preferably at an hourly level?
 - RFP Reference: General question.

LACCE Response: Hourly load data is not available.

3. Will LACCE consider proposals that provide a portion of the requested portfolio services (ie: load following resources).
 - RFP Reference: General Question.

LACCE Response: No, LACCE requests a proposal that covers all requests in this RFP.

4. LACCE also issued a separate RFP for a certified Scheduling Coordinator. May vendors submit proposals to both RFPs?
 - RFP Reference Language: General question.

LACCE Response: Yes, vendors may submit proposals to both RFPs. However, the same vendor will not be awarded both contracts. Also please note a Scheduling Coordinator will be precluded from bidding on power supply commodity RFPs while under contract to LACCE.

5. Will the contract for power supply commodity products and ancillary services be settled financially, based on the difference between the specified CAISO charge codes and the supply contract price?

- RFP Reference: General Question.

LACCE Response: Yes. Any settlement charges will be the responsibility of the supplier

6. We assume that the successful candidate will not be tasked with managing down to the end-use meter (i.e. will not be in charge of meter reading, invoicing, settlements, disputes, etc).

- RFP Reference: General Question.

LACCE Response: Correct. LACCE has hired a data management consultant to perform all back office functions.

7. Is it LACCE's intention to be the counterparty for all third-party energy purchases, or is provision of credit support by the supplier of Services desired/expected?

- RFP Reference: General Question.

LACCE Response: We expect the supplier to assume all credit support for this RFP.

8. The RFP Document, Exhibit 1 indicates an "Assumed Start" date of January 2018 for Phase 1 load. The RFP for Electric Power Scheduling Services, Exhibit 1 indicates an "Assumed Start" of April 1, 2018 for Phase 1 load. Please confirm the start date for Phase 1 load.

- RFP Reference: Page 1, Exhibit 1.

LACCE Response: The start date for Phase 1 is January 2018. A revised copy of the RFP can be found at our website:

<https://www.lacounty.gov/request-for-proposals>

9. We assume Exhibit 1 shows the cumulative load, as opposed to each Phase being additive. Please confirm this is correct.

- RFP Reference: Page 1, Exhibit 1.

LACCE Response: Correct

10. Are we correct that the 170, 1,950, and 3,470 Gwh represent expected annual energy consumption?

- RFP Reference: Page 1, Exhibit 1.

LACCE Response: Correct but we only want bids for Phase 1 loads.

11. Will Phase III deliveries start on Jan 1, 2019?

- RFP Reference: Page 1, Exhibit 1.

LACCE Response: As stated in the RFP, phase III is expected to start Q4 2018. Also please note we are only requesting bids for Phase 1.

12. Can you provide any detail as to the volumes (in MWh/year) of carbon free energy that LACCE is seeking under the four resource portfolio options listed on page 2 of the RFP?

- RFP Reference: Included in question.

LACCE Response: Assume the same level of GHG-free resources currently contained in SCE rates then state an approach and price premium for increasing this level of GHG-free resources.

13. Will the “SCE current retail rate level” be provided for each of the included Rate Classes to ensure all proposers are referencing the same benchmark?

- RFP Reference: Page 2, “Overview of LACCE Power Supply Requirements.”

LACCE Response: LACCE does not have the requested pricing data so please put your assumed SCE rates in your response.

14. On page 3 of the RFP Document, “Overview of Requested Pricing” section, “requests a three-year, firm price for the four resource portfolio options” indicated in the prior section. Are proposers meant to assume 100% of LACCE municipal account load will be allocated to one of the four resource portfolio options? If not,

please provide the anticipated breakout of load allocated to each of the four resource portfolio options.

- RFP Reference: Included in question.

LACCE Response: It is anticipated that 100% of the LACCE municipal load will be served under the same resource portfolio option.

15. Will LACCE require a full suite of ancillary services (including black start)?

- RFP Reference: Page 3, "Details of Requested Products and Services"

LACCE Response: LACCE has no generation so black start services will not be required. All other standard ancillary services will be needed and should be included in the proposer's bid price.

16. For loads within the CAISO, ancillary services are typically supplied via the CAISO. Is this an acceptable approach for LACCE?

- RFP Reference: Page 3, "Details of Requested Products and Services."

LACCE Response: Yes. Note that all ancillary service charges will be the responsibility of the supplier.

17. How will Power Suppliers coordinate with LACCE's Schedule Coordinator to optimize daily requirements? Will there be a requirement for Day-Ahead and Real-Time modifications to schedules and dispatch? Will resources be made whole for any uninstructed deviations or imbalances?

- RFP Reference: Page 3, "Details of Requested Products and Services."

LACCE Response: The SC and power supplier will work in a coordinated fashion to optimize all power deliveries. Any imbalance charges will be the responsibility of the power supply provider. LACCE requests an all-in price per kwh for all power consumed by Phase 1 customers. It is anticipated that the SC will be the intermediary between the supplier and the CAISO. The SC will also be responsible for all regulatory filings.

18. Page 3 states, "Full Requirements" type of contract where the proposer provides all the needed power supply – Is LACCE looking for load-following power supply vs. fixed shape pricing for energy?

- RFP Reference Language: Included in question.

LACCE Response: Load-following

19. Would it be possible for LACCE to provide a list of CAISO charge codes that the requested full-requirements product is intended to include?

- RFP Reference: Page 3, “Details of Requested Products and Services.”

LACCE Response: LACCE does not have a list of the applicable CAISO charge codes.

20. Page 4 Shaped Energy Section – The RFP states that “Proposers shall bid a shaped energy profile”, will LACCE be providing a fixed hourly shape for the supply term?

- RFP Reference: Included in question.

LACCE Response: Shaped energy products can be used by proposers to support a fixed price full requirements proposal. No hourly load data is available.

21. Please confirm the delivery point for energy deliveries to LACCE will be at the CAISO SP15 EZGen Hub.

- RFP Reference, Page 4, “Shaped Energy.”

LACCE Response: Confirmed.

22. You discuss shaped, hourly deliveries to “match the projected hourly load profiles of LACCE.” Do you have any expected/pro-forma hourly load forecasts or typical hourly profile data you can share at this stage?

- RFP Reference, Page 4, “Shaped Energy.”

LACCE Response: Shaped energy products may be used by the proposer to develop an all-in full requirements proposal for Phase 1 loads but LACCE is requesting a full requirements product priced on a cents/kwh basis for all Phase 1 power consumed. LACCE has no hourly load data at this time but the SCE website contains hourly load curves by rate schedule if needed.

23. What volumes of PCC1 and PCC2 you would like under each of the four portfolio options?

- RFP Reference: Page 4, "Renewable Energy."

LACCE Response: REC's may be used so long as this utilization is in compliance with the applicable RPS guidelines.

24. Can you provide any detail as to the volumes (in MWh/year) of renewable energy (i.e. PCC1, PCC2 and/or PCC3) that LACCE is seeking under the four resource portfolio options listed on page 2 of the RFP?

- RFP Reference: Page 4, "Renewable Energy."

LACCE Response: Please assume PPC 1 and PPC2 in keeping with the applicable RPS guidelines. LACCE discourages the use of PPC 3 products.

25. Will LACCE procurement include PCC3 (i.e. REC only) supply?

- RFP Reference: Page 4, "Renewable Energy."

LACCE Response: Not desirable from LACCE standpoint.

26. RFP mentions that LACCE is seeking carbon free energy supply, but carbon free energy is not mentioned in the four types of product options shown (the four product options describe renewable content only). Is LACCE looking for a specific (or approximate) quantity of carbon-free energy from all suppliers?

- RFP Reference Language: Page 4, "Carbon Free Energy."

LACCE Response: For purposes of this initial response, please match SCE's current level of GHG-free power and then state how additional GHG-free power could be obtained and at what price premium.

27. Can you provide any detail as to the quantities (in MW/month) of resource adequacy capacity that LACCE is seeking under the RFP? Please specify the quantities in terms of requested System, Local and Flex capacity.

- RFP Reference: Page 4, "Resource Adequacy Capacity."

LACCE Response: LACCE has no detailed information on this request. Respondent should propose RA in keeping with CAISO/CEC requirements for similarly situated LSE.

28. Can you tell us how much RA is expected to be supplied, or should we assume 115% of 40 MW for each month of the term? Can you give us the breakdown between System, Local, and Flex? Does LACCE actually want RA offers with a 3 year term?

- RFP Reference: Page 4, “Resource Adequacy Capacity.”

LACCE Response: The RA requirements must be in compliance with the applicable CAISO/CPUC requirements. Proposer is responsible for providing necessary RA requirements for the full three year term of this RFP and all related costs should be included in the proposer’s price proposal.

29. Would LACCE be willing to accept pricing for a full requirements product for usage within a specified percentage band of the published load forecast, with deviations outside the agreed upon band being subject to market pricing?

- RFP Reference: RFP Reference: Page 7, Pricing

LACCE Response: Yes

30. If LACCE would like pricing on hourly blocks of power, can LACCE please specify the block sizes to ensure suppliers quote the same product?

- RFP Reference: Page 7, Pricing

LACCE Response: Blocks of power may be used by proposers to develop pricing but LACCE is seeking prices for full requirements service for its Phase 1 loads for the four resource portfolio options noted in the RFP.

31. Is there a pricing format that LACCE would prefer?

- RFP Reference, Page 7, Pricing

LACCE Response: LACCE requests and all-in fixed price for all Phase 1 loads. Prices should be on a cents/kwh basis for all Phase 1 usage.

32. For the product, titled "Maximize Renewables up to SCE current retail rate level" - will LACCE provide an average fixed price for the current SCE generation rate? Since SCE's rates are tiered and there are 1,700 accounts, it would help to have an average fixed price that all suppliers can use for this product.

- RFP Reference Language: Page 7, "Maximize Renewables up to SCE current retail rate level."

LACCE Response: The LACCE Business Plan estimates an SCE generation rate for Phase 1 loads of 6.92 cents/kwh.

33. Can you provide any clarification of the intent/volumes associated with the portfolio titled ("Maximize Renewables up to SCE current retail rate level")?

- RFP Reference: Page 7, "Maximize Renewables up to SCE current retail rate level."

LACCE Response: This portfolio would maximize the use of renewable energy up to a point where the resultant portfolio price equals SCE's current retail rate.