I. Introduction and Product Description

MCE, a California joint powers authority, seeks qualified energy suppliers and developers to participate in MCE’s 2020 Clean Resource Adequacy Request for Offers (“Clean RA RFO”) solicitation. The purpose of MCE’s Clean RA RFO is to contract for clean RA resources to phase out the use of fossil-based RA resources over the next ten to fifteen years.

MCE is administering this Clean RA RFO in an effort to procure a capacity product that does not rely on fossil fuel inputs throughout the delivery term, or transitions away from all fossil fuel inputs over the delivery term. For example, capacity products without fossil fuel inputs could include:

1. The use of renewable hydrogen in new build or existing generation sources to reduce or eliminate the carbon intensity of a generation facility
2. The use of renewable natural gas produced by facilities such as dairies, wastewater treatment plants, or landfills as fuel stock for natural gas generation facilities
3. Any collection of long duration generating technologies that is carbon free/neutral across the entire production chain (i.e., collection of renewable energy resources, battery storage, and other forms of dispatchable and clean resources)

If the renewable fuel will be mixed with fossil fuel for generation, a path must be presented to convert the generating unit to full carbon free production within the first six years of any delivery term. Capacity products that can achieve carbon-free production earlier in the term will be prioritized during the selection process.

By participating in MCE’s 2020 Clean RA RFO process, respondents acknowledge that they have read, understand, and agree to the terms and conditions set forth in this Request for Offer Procedural Overview & Instructions. MCE reserves the right to reject any offer that does not comply with the requirements identified herein. Furthermore, MCE may, in its sole discretion and without notice, modify, suspend, or terminate the Clean RA RFO without further liability to any organization or individual. The Clean RA RFO does not constitute an offer to buy or create an obligation for MCE to enter into an agreement with any party, and MCE shall not be bound by the terms of any offer until MCE has entered into a fully executed agreement.

Offers pursuant to this RFO must be received by MCE not later than 5:00 P.M. Pacific Prevailing Time on the dates outlined in Section V.

II. About MCE

With offices in San Rafael and Concord, MCE is a public, not-for-profit agency which operates California’s first community choice aggregation (“CCA”) program as well as various complementary energy-related programs.
MCE’s primary focus is reducing energy-related greenhouse gas emissions by providing electricity customers with a supply portfolio that utilizes a minimum 60% renewable energy, a 100% renewable energy service option (available to all customers on a voluntary basis), and groundbreaking energy efficiency, demand response, and energy storage programs. Consistent with the CCA service model, MCE determines the sources and suppliers of the energy it procures, and PG&E continues to manage the transmission and distribution of such energy to MCE customers. MCE maintains investment grade credit ratings of Baa2 from Moody’s and BBB from Fitch. Members of MCE include the County of Marin and its towns and cities, the County of Napa and its towns and cities, the County of Contra Costa and its cities of Concord, Danville, El Cerrito, Lafayette, Martinez, Moraga, Oakley, Pinole, Pittsburg, Richmond, San Pablo, San Ramon and Walnut Creek, and the city of Benicia. MCE also plans to expand its territory over the coming years to include additional communities in Solano County.

III. Required Content of Offers

Offers must include all the following components with sufficient detail to support MCE’s evaluative process (using the criteria in Section IV). To be deemed a complete, conforming offer, each offer shall:

a. Be submitted electronically via the following email address, mcerfo@pacificea.com by 5:00 P.M. Pacific Prevailing Time on the due date as shown in Section V

b. Include the following information:
   
   • Detailed technology specifications including an explanation of how the technology meets MCE’s “Clean RA” product definition defined in Section I
   • All relevant commercial terms including, but not limited to:
     i. Price in $/kW-month (no escalators)
     ii. Volume (MW/month)
       ○ Minimum size of 1 MW
     iii. RA product attributes (i.e., qualification for system, local, and flexible RA)
     iv. Term
     v. Start date
     vi. Credit support
     vii. Location
   
   • Financing Plan
   • Interconnection Study or Interconnection Agreement if new development project
   • Project development/conversion timeline as applicable

MCE encourages 2020 Clean RA RFO respondents to emphasize quality as opposed to quantity when considering the submittal of multiple responses. MCE will accept multiple pricing offers, but only where it relates to different online/start dates or conversion timelines for existing resources. Furthermore, MCE will only accept offers for resources and technologies that are 100% “clean” per the description in Section I; offers deemed low carbon, but not 100% “clean,” will be deemed non-conforming and rejected from the solicitation process. Respondents may also submit offers for more than one project.

IV. Evaluation Criteria

MCE will evaluate responses in consideration of a common set of criteria, a partial list of which is included below. This list may be revised at MCE’s sole discretion and includes:
a. Overall quality of response, inclusive of completeness, timeliness, and conformity;
b. Project technology and its alignment with MCE’s criteria for Clean RA;
c. Price and relative value within MCE’s supply portfolio;
d. Project location and local benefits, including local hiring and prevailing wage considerations;
e. Project development status, including but not limited to progress toward interconnection, deliverability, siting, zoning, permitting, and financing requirements;
f. Qualifications, experience, financial stability, and structure of the prospective project team (including its ownership);
g. Environmental impacts and related mitigation requirements; and
h. Development milestone schedule, if applicable.

V. **Key Deadlines and Submission Requirements**

MCE’s 2020 Clean RA RFO will be administered based on the following schedule:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue RFO</td>
<td>4/6/2020</td>
</tr>
<tr>
<td>Vendor Q&amp;A Window</td>
<td>4/6 – 4/20/2020</td>
</tr>
<tr>
<td>Submission Deadline</td>
<td>5/4/2020, 5:00 P.M.  Pacific Prevailing Time</td>
</tr>
<tr>
<td>Short-list Notification</td>
<td>5/18/2020</td>
</tr>
<tr>
<td>Final Selection(s)</td>
<td>6/1/2020</td>
</tr>
<tr>
<td>Finalize Contract(s)</td>
<td>7/19/2020</td>
</tr>
</tbody>
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a. **Notice of Intent to Offer:** A Notice of Intent to Offer is not required, however, it is useful for the evaluation process. No later than the deadline for submitting questions, all parties interested in responding to this RFO are encouraged, but not required, to notify MCE via email of the intent to submit an offer. This notice creates no obligation to submit a proposal but will ensure that interested parties are copied on MCE’s future correspondence related to the 2020 Clean RA RFO. Notices must be sent to mcerfo@pacificsea.com and should include the company’s name and email contact information, referencing “MCE 2020 Clean RA RFO – Notice of Intent to Offer” in the subject line.

b. **Deadline for Questions.** Any questions related to the content of this RFO must be submitted to the RFO Manager at mcerfo@pacificsea.com during the “Vendor Q&A window”. Please see Section VIII, below, for additional information regarding questions submitted to MCE related to the 2020 Clean RA RFO.

c. **Deadline for Responses.** All responses to questions will be posted weekly.

d. **Submission Deadline.** To be eligible for consideration, offers must be submitted electronically via the following email address, mcerfo@pacificsea.com by 5:00 P.M. Pacific Prevailing Time on May 4, 2020.

e. **Supplier Interviews/Q&A.** As necessary, MCE may submit clarifying questions to certain respondents or conduct interviews, based on information provided in the offer package. MCE shall retain the right, in its sole discretion, to request information without notifying other respondents. MCE shall establish due dates for any request(s) for additional information, which shall be communicated to the affected respondent(s).

f. **Response Evaluation and Supplier Notification.** Following its review of proposed responses and clarifying materials, as well as any interview(s) that may be conducted during this process, MCE will notify all selected suppliers of its intent to pursue contract negotiations. Those suppliers not selected during this process will be notified accordingly.
g. **Contract Approval and Execution.** MCE anticipates that the selection process will be completed by approximately the end of May 2020 as indicated above in the solicitation timeline table. Please note that full execution of a contract is likely to occur after this date and is subject to MCE Board approval.

VI. **Supplier Diversity and Labor Practices**

Consistent with the California Public Utilities Code and California Public Utilities Commission policy objectives, MCE collects information regarding supplier diversity and labor practices from project developers and their subcontractors regarding past, current and/or planned efforts and policies. Each Respondent will be required to complete a Labor Practices questionnaire as part of its offer package (please see MCE’s Open Season Offer Form). Additionally, pursuant to Senate Bill 255, which imposes new supplier diversity reporting requirements on CCAs, Respondents that execute a PPA with MCE will be required to complete a Supplier Diversity questionnaire.

MCE does not give preferential treatment based on race, sex, color, ethnicity, or national origin; providing such information to MCE will not impact the selection process or good standing of executed PPAs.

VII. **General Terms and Conditions**

**MCE’s Reserved Rights**

MCE may, at its sole discretion, withdraw this Request for Offers at any time, and/or reject any or all offers submitted without awarding a contract. MCE also reserves the right to negotiate any price or provision as well as accept or reject any or all parts of each offer, whatever is deemed to be in the best interest of MCE.

Respondents are solely responsible for any costs or expenses incurred in connection with the preparation and submittal of an offer or proposal. MCE shall be held harmless and free from any and all liability, claims, or expenses whatsoever incurred by, or on behalf of, any person or organization responding to this RFP.

All data and information furnished by MCE or referred to in this RFP are furnished for the Respondent's convenience. MCE does not guarantee that such data and information are accurate and assumes no responsibility whatsoever as to the accuracy of such data or its interpretation.

During the evaluation process MCE may request from any respondent additional information which MCE deems necessary to determine the respondent’s ability to perform the required services. If such information is requested, the respondent shall provide such information within a commercially reasonable amount of time.

**Public Records**

All documents submitted in response to this Request will become the property of MCE upon submittal, and will be subject to the provisions of the California Public Records Act and any other applicable disclosure laws. Upon submission, all proposals shall be treated as confidential until the selection process is completed. Once a contract is awarded, all proposals shall be deemed public record. MCE is required to comply with the California Public Records Act as it relates to the treatment of any information marked “confidential.” Respondents requesting that portions of its submittal should be exempt from disclosure must clearly identify those portions with the word “Confidential” printed on the lower right-hand corner of the page. Each page shall be clearly...
marked and separable from the proposal in order to facilitate public inspection of the non-confidential portion of the proposal. MCE will consider a respondent's request for an exemption from disclosure; however, if MCE receives a request for documents under the California Public Records Act, MCE will make a decision based upon applicable laws. Respondents should not over-designate material as confidential, and any requests or assertions by a respondent that the entire submittal, or significant portions thereof, are exempt from disclosure will not be honored.

VIII. Questions

To promote accuracy and consistency of information provided to all participants, questions will only be accepted via email to MCE’s RFO Manager at mcerfo@pacificea.com with the subject line of such emails reading “MCE 2020 Clean RA RFO Question.” Please note, the deadline for submitting questions is indicated in Section V above.

MCE will attempt to respond to submitted questions within a week of receipt. MCE will post the questions and responses to the solicitation page of MCE’s website. Additionally, MCE reserves the right to combine similar questions, rephrase questions, or decline to answer questions, at its sole discretion. All questions must be submitted through the above process.

Thank you for your interest!