



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
Request for Proposals for Biomass Renewable Energy
Resources

Issuance Date: 4/11/18
Response Deadline: 4/30/18

Introduction

The Southern California Public Power Authority (SCPPA) is soliciting competitive proposals, on behalf of four of its Member Agencies and three other publicly owned utilities (together, “Participants”), for bioenergy (or “biomass”) projects meeting the requirements of California Senate Bill 859 (“SB 859;” see California Public Utilities Code §399.20.3(e)). Specifically, Participants are targeting proposals for renewable resources from existing biomass plants that commenced operations prior to June 1, 2013 with delivery starting on a mutually agreed date between the Participants and Respondent. Request for Proposal (RFP) responses shall propose a five-year term Power Purchase Agreement (PPA) without an ownership option. As per Section 14 of SB 859, proposed existing biomass power plants shall burn wood waste that qualifies as high hazard forest fuels, these qualifying high hazard fuels are sourced from areas given such designation by the California Department of Forestry and Fire Protection (Cal Fire).

SCPPA is acting as a coordinating agent for issuance of this RFP and is collecting offers hereunder on behalf of the Participants. In this RFP, the “Participants” are:

SCPPA Member Agency Participants

Anaheim Public Utilities (APU)
Imperial Irrigation District (IID)
Los Angeles Dept. of Water and Power (LADWP)
Riverside Public Utilities (RPU)

Non-SCPPA Participants

Modesto Irrigation District (MID)
Sacramento Municipal Utility District (SMUD)
Turlock Irrigation District (TID)

For the purposes of any letter of intent, PPA, or similar transaction document executed as counterparties to a Respondent (or “Seller”), the “Buyers” shall be SCPPA, MID, SMUD, and TID. SCPPA will acquire a share of capacity equal to the aggregate capacity requirements of its four Member Agencies under SB 859, and in turn will enter into power sales agreements with the four Member Agencies to convey their respective capacity shares to them.

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 and associated products and services. SCPPA is a “cafeteria style” JPA where the Member Agencies have the ability to “opt-in” to the projects they are interested in. SCPPA can procure resources on behalf of Member Agencies with one or more participants.

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.

SCPPA’s members include the Imperial Irrigation District and the Cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, (“Member Agencies”), each of which owns and operates an electric utility to provide service to retail customers within their respective municipal boundaries. Anaheim, Azusa, Banning, Cerritos, Colton, Pasadena, Riverside and Vernon are in the California Independent System Operator's (CAISO) Balancing Authority; the Los Angeles Department of Water and Power (LADWP), Burbank and Glendale are in the LADWP Balancing Authority; and the Imperial Irrigation District operates its own Balancing Authority. Member Agencies’ electric utilities are governed by their respective city councils or other locally elected governing bodies.

SCPPA has an active working group focused on renewable energy development. This group, with representation from all twelve of the Member Agencies, meets once a month and has reviewed over eight hundred sixty individual proposals since 2007. As a result, approximately 1,876 MW of capacity is now being or will be delivered through SCPPA resources in support of its members’ renewable objectives.

This RFP includes four SCPPA Member Agencies: Los Angeles Department of Water and Power, Imperial Irrigation District, Anaheim, and Riverside; and three California Publicly Owned Utilities: Sacramento Municipal Utility District (SMUD), Modesto Irrigation District (MID), and Turlock Irrigation District (TID).

The Sacramento Municipal Utility District (SMUD) is the primary distributor of electric power within an area of approximately 900 square miles in central California encompassing primarily the area of Sacramento County. The service area includes the capital of California, Sacramento, the populous areas principally to the northeast and south of the City of Sacramento (the “City” or “Sacramento”) and the agricultural areas to the north and south. SMUD’s electric system supplies power to a population of approximately 1.4 million with a total annual retail load of approximately 10,523 million

kWh. SMUD’s annual peak load has averaged 2,990 MW over the last three years, with SMUD’s record peak load of 3,299 MW occurring on July 24, 2006.

Turlock Irrigation District (TID) is an irrigation district organized under the provisions of the California Water Code and has the powers provided therein for irrigation districts. Organized in 1887, TID was the first of 65 irrigation districts to be formed in the State of California (the "State"). TID provides electric service within its approximately 662 square miles electric service area that includes portions of Stanislaus, Merced and Tuolumne counties. As of December 31, 2016, TID served approximately 102,000 electric customer accounts. In 2016, TID had total retail electric sales of approximately 2,000 million kWhs and approximately 1,100 million kWhs in wholesale electric sales. Peak demand in 2016 was about 527 MW. TID also supplies water for irrigation use within its irrigation service boundaries, which consist of 308 square miles within its 662 square mile electric service area.

Modesto Irrigation District (MID) is an irrigation district established in 1887 under the irrigation district laws of the State of California. In 1923 MID started selling electricity to local retail customers. Today MID has a peak load of approximately 660 megawatts and retail energy sales of approximately 2,500 million kWhs. MID is on target to meet its 2020 RPS renewable energy procurement requirement with approximately 230 megawatts of renewable energy from solar photovoltaic, wind, biodigester, and small hydroelectric power projects. This addition will add resource diversity to MID’s already diverse electric resource portfolio.

SCPPA is soliciting competitive proposals for up to 11 MW of contract capacity for renewable energy from biomass plants, burning high hazard forest fuels that meet the requirements of SB 859, in the proportions required by SB 859. The following Participants’ shares comprise this RFP:

Table 1. Participants’ SB 859 Biomass Power Purchase Obligations

POU	SB 859 Capacity Net Deliverable Requirement, MW
Modesto Irrigation District	0.607 MW
<i>Southern California Public Power Authority Entities</i>	
Anaheim Public Utilities	0.493 MW
Imperial Irrigation District	0.911 MW
Los Angeles Department of Water and Power	5.424 MW
Riverside Public Utilities	0.493 MW
Sacramento Municipal Utility District	2.579 MW
Turlock Irrigation District	0.493 MW
Total	11.0 MW

A PPA resulting from this solicitation will be structured to purchase As-Available Energy with Resource Adequacy benefits. Participants reserve the right to enter into agreements for less Capacity, or none, depending on cost.

The anticipated schedule for the solicitation process is provided in Table 2:

Table 2. RFP Schedule

Action	Expected Date
RFP Issued	4/11/18
RFP Questions Cutoff Date	4/23/18
RFP Submittal Deadline	4/30/18
Finalists Notified (Estimated)	5/9/18
Exclusivity Agreement (Estimated)	5/18/18
Begin PPA Negotiations (Estimated)	5/25/18
Fully Executed PPA in Place (Estimated)	Approximately 3 months after completing negotiations

Proposed price must remain valid through RFP evaluations and PPA negotiations until at least October 30, 2018.

RPS and EPS Compliance

Participants continue to seek resources to support their Renewable Portfolio Standard (RPS) objectives for 2018 and beyond. This RFP seeks to find a best combination of

biomass projects or products to deliver energy from facilities that will be RPS compliant (pursuant to Public Utilities Code Sections 399.16 (b)(1) and (b)(2), i.e., energy and associated RECs in Portfolio Content Category 1, and will be compliant with the biomass procurement requirements of SB 859.

Participants require 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 noncompliant with either RPS or EPS. Since this is one of the critical elements of a renewable project or product for the Participants, please describe how this risk would be assumed and addressed by Seller.

Respondent will be required to have registered the Project with the Western Renewable Energy Generation Information System (WREGIS) and must pay all costs in connection with the issuance and transfer of WREGIS certificates for the Project to SCPPA. All RECs associated with the Energy proposed in the Offer submitted under this RFP must be tracked through WREGIS.

All Energy produced by the Eligible Renewable Energy Resource (“ERR”) will be required to be reported to WREGIS by the Respondent on a monthly basis. The WREGIS certificates that are created from the underlying energy that was reported will be transferred to the Participants in accordance with the WREGIS timelines, evidencing that the Participants have exclusive rights to all Environmental Attributes associated with subject energy from the ERR. Respondent must ensure that the ERR is certified by the CEC as an ERR to meet the requirements of the California RPS and will be responsible for all costs associated with the maintenance of such certification. The Participants will also receive all Capacity Attributes associated with the operation of the ERR.

Proposal Delivery Requirements

One electronic copy of your proposal must be e-mailed to renewablesrfp@scppa.org or delivered on CD or USB flash drive to the address below by no later than 5:00 p.m. on April 30, 2018:

Southern California Public Power Authority
Attention: 2018 Renewable RFP
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 renewablesrfp@scppa.org

Participants seek tangible and timely opportunities to add renewable technologies to their generation portfolios and thus will not entertain experimental or speculative proposals.

Proposals may be submitted at any time until April 30, 2018 SCPPA and Participants reserves the right to review all proposals throughout the process of this RFP, to contact respondents at any time to start negotiations, and to execute one or more agreements before the deadline for delivery of proposals.

Respondents who have previously submitted proposals to SCPPA for consideration may submit updates or revisions to the previous submittals with clearly noted reference to the prior submittal(s) and identify proposed changes, all under a new Transmittal Letter.

Newly submitted proposals by a prior Respondent may make reference to prior submittals for any required elements that have not changed (such as experience) rather than resubmitting boilerplate information.

No contact may be made with the Board of Directors, Committee Members, or Participants concerning this RFP.

All information received by SCPPA and Participants in response to this RFP is subject to the California Public Records Act and all submissions may be subject to review in the event of an audit.

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, statement of work, specifications, and 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 in 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: Clearly identify the proposal as the following eligible renewable energy resource electricity products:

- a. Biomass, including dedicated forest waste feedstock meeting the requirements of Section 14 the recently enacted California Senate Bill SB 859.
- b. Proposals must be from biomass Projects located within California.
- c. Existing biomass projects must have commenced operations prior to June 1, 2013.

- d. Fuel source must comply with the High Hazard Fuels requirements specified by SB 859. At least 80 percent of the feedstock of an eligible facility, on an annual basis, shall be a byproduct of sustainable forestry management, which includes removal of dead and dying trees from Tier 1 and Tier 2 high hazard zones and is not that from lands that have been clear cut. At least 60 percent of this feedstock shall be from Tier 1 and Tier 2 high hazard zones.

4. Project Details: 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 and net capacity ratings and proposed amount of energy to be delivered. Please provide all MW increment options available for the project.
- c. **Pricing:** Please provide all pricing structure options available.
 - i) **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 will start on the Commercial Operation Date (COD) and may include fixed price annual escalation rates or index plus fixed price component.
 - ii) **Energy Price (fixed):** Expressed in nominal dollar value (as of the year of COD) in \$/MWh, with no escalation thereafter. This pricing structure is preferred by some of the Participants.
- d. **Delivery Term:** Delivery term shall be 5 years. Please specify alternative delivery term options available, if any, including seasonal and/or intra-day delivery profile options.
- e. **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), dispatchability (by unit or phase if applicable) and scheduling requirements/limitations, if any; any rights for Participants to perform full or partial dispatch, and economic curtailment.
- f. **Point of Delivery (POD):** Cost of transmission to the Point of Delivery shall be included in the Cost of Energy. Point of Delivery must be at or deliverable to the Project's CAISO Pnode. Respondent shall provide the Pnode of the proposed Point of Delivery. 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 Participants' customers within California. The Point of Delivery to the CAISO must indicate whether the project qualifies for Resource Adequacy and/or Local Capacity Requirement capacity benefits.
- g. **Environmental Attributes:** Ensure that Participants 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). Seller shall convey to Participants their pro-rated share of all associated Environmental and/or Green Attributes, but

excluding any federal or state tax credits, incentives, or grants associated with the production electricity.

- h. **Combustion:** For any proposals that involve combustion technologies, provide details on the forecasted emissions, emissions controls, and compliance with applicable emissions regulations.
- i. **Category of Environmental Attributes:** Specify whether the project qualifies for Portfolio Content Categories 1 under the California Public Resources Code (CPRC) and how the project would comply with the CPRC and any future interpretations of relevant statutes by the California Energy Commission.
- j. **Capacity Rights/Shared Facilities:** Ensure that Participants 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 Participants.
 - 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. **Delivery Commencement Date:** Proposed existing biomass projects must have commenced operations prior to June 1, 2013. Provide energy delivery commencement date on proposal.
- l. **Financing and Tax Equity Investor:** Describe how the project will be financed such as; by parent company, backflip leverage, or some sort of Yieldco Structure.
- m. **Credit Support and Security:** Express in nominal dollars (minimum \$100/kW) the amount of Performance Assurance provided from execution of the Power Purchase Agreement through COD and the amount of Performance Assurance provided after Commercial Operation Date as a letter of Credit, cash, or guaranty acceptable to Buyers at Buyers' sole discretion.
- n. **Buyers Operational Reliability Curtailment:** Express in MWh per year or hours per year the amount Buyers can curtail without compensation.
- o. **Stakeholder Support:** Identify any known individuals, groups and/or agencies that support project operations and any known individuals, groups and/or agencies that oppose project operations.

5. Experience: Respondent will 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, and maintenance of similar projects 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.

6. Pro Forma Power Purchase Agreement (Appendix B): Respondents should review SCPPA's *Pro Forma* PPA attached as Appendix B and note any exceptions taken to it in its proposal.

Terms and Conditions

1. If selected, SCPPA and Participants desire 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 and Participants reserve the right to cancel this RFP at any time, reject any and all proposals and to waive irregularities, if any.
3. SCPPA and Participants shall determine in their 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 and Participants' sole discretion.
5. SCPPA and Participants 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 and Participants reserve 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 and Participants reserve the right, without qualification and in their 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 and Participants, will provide the most value to SCPPA and Participants.
8. SCPPA and Participants 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, or Participants, Member Agencies, and/or Participant Agencies; their directors; their officers; their employees; and their agents, for rejection of their proposal(s) or for failure to execute or act on their proposal for any reason.
10. SCPPA and Participants 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 and Participants 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 and Participants 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. Participants, either collectively or individually may contact Respondents to discuss or enter into negotiations regarding a proposal. Buyers are not responsible or liable for individual Participant's 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, and Participants' 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 Buyers.
17. SCPPA and Participants reserve 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 and Participants reserve the right to negotiate definitive agreements including but not limited to PPAs and other agreements with a Respondent with any and all terms and conditions that Buyers and/or its Participants deem appropriate or desirable, whether or not such terms or conditions are specifically set forth in this RFP.
19. SCPPA and Participants anticipate that any PPA resulting from this RFP will be executed by Seller and Buyers. Any agreement is expressly subject to the following:
 - (i) Execution of a PPA with all Buyers.
 - (ii) Approval individually by the governing body of each Participant, and in the case of SCPPA, the approval by its Board of Directors. The processes for approvals by all participants could take up to 6 months from the time of conclusion of PPA negotiations.

Additional Requirements for Proposal

1. **Consideration of Responses:** Submitted proposals shall be prepared simply and economically, without the inclusion of unnecessary promotional materials. Respondents shall not submit Proposals in hardcopy form.
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 Participants 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 the Department of Water and Power of the City of Los Angeles which is SCPPA's largest Member.

4. **Prevailing Wage Rates:** If selected, the Respondent will be required to conform to prevailing wage rates when applicable to any construction work being performed. Workers in California 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:

Department of Industrial Relations
Division of Labor Statistics and Research
PO Box 420603, San Francisco, CA 94142-0603
Division Office Telephone: (415) 703-4780
Prevailing Wage Unit Telephone: (415) 703-4774
Web: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm>

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.
6. **Supplier Diversity:** Respondents may be required to 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), Lesbian, Gay, bisexual, or Transgender Business Enterprise (LGBTBE) 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 and three percent (3%) for DVBEs. For the purpose of this RFP, SCPPA's Supplier Diversity program is modeled after that of the Los Angeles Department of Water and Power. Further information concerning the Supplier Diversity Program may be obtained from the Supply Chain Services Division of the Los Angeles Department of Water and Power.
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.
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 Los Angeles Administrative Code ("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.

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.
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”.
11. **Los Angeles Municipal Lobbying Ordinance:** If selected, the Respondent may be required to comply with the requirements and prohibitions established in the Los Angeles Municipal Lobby Ordinance if the Respondent qualifies as a lobbying entity under Los Angeles Municipal Code Section 48.02.
12. **SCPPA-Furnished Property:** SCPPA or a Participant’s utility drawings, specifications, and other media furnished for the Respondent’s use shall not be furnished to others without written authorization from SCPPA or the applicable Participant(s).
13. **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 Participants and no further agreement will be necessary for the transfer of ownership to SCPPA and Participants. SCPPA and Participants 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.

APPENDICES

APPENDIX A DEFINITION OF TERMS

**APPENDIX B PRO FORMA POWER PURCHASE AGREEMENT
(SEE ATTACHMENT)**

APPENDIX A

DEFINITION OF TERMS

As-Available Energy: Energy for which seller is obligated to deliver whenever it can be produced by the plant.

Buyers: SCPA, MID, SMUD, TID.

CAISO: The California Independent System Operator Corporation or its successor.

California Energy Commission (CEC): The agency responsible for certifying eligible renewable resources and tracking the procurement of such resources.

California Renewable Portfolio Standard: (or Renewable Portfolio Standard, RPS): The standard, codified in Public Utilities Code (PUC) Sections 399.11 through 399.30, and Public Resources Code (PRC) Sections 25740 through 25751, as may be amended from time to time.

Capacity: The instantaneous ability of a generator to produce Energy (real power) at a specified output. Capacity is measured in megawatts ("MW") AC or kilowatts ("kW") AC.

Capacity Attributes: Any current or future defined characteristic, certificate, tag, credit, or ancillary service attribute, whether general in nature or specific as to the location or any other attribute of the Facility, intended to value any aspect of the Contract Capacity of the Facility to produce energy or ancillary services, including, but not limited to, any accounting construct so that the full output of the Facility may be counted toward a Resource Adequacy requirement or any other measure by an entity invested with the authority under federal or state law, to require Buyers to procure, or to procure at Buyers' expense, Resource Adequacy or other such products.

Contract Capacity: The amount of the Project's capacity sold by Seller to Buyers hereunder. Contract Capacity is measured at the Delivery Point and is net of any Station Service Loads, any applicable Facility step-up transformer losses, and where applicable, transmission and distribution losses up to the Delivery Point.

Contract Price: The price (\$/MWh) paid by Buyers to Seller for Energy, Capacity, Capacity Attributes, and Environmental Attributes delivered from the Facility.

Delivery Start Date: The date on which Product deliveries begin, which is the start of the Delivery Term.

Delivery Term: The period of the Agreement from the Delivery Start Date through the full term of the Agreement.

Eligible Renewable Energy Resource (or "ERR): An Eligible Renewable Energy Resource as defined in California Public Utilities Code Section 399.12 and California Public Resources Code Section 25741, as either code may be amended or supplemented from time to time, that generates eligible renewable energy resource electricity products that meet the criteria of California Public Utilities Code Section 399.16(b)(1).

Energy: Electrical power to do work, delivered with the voltage and quality required by the applicable transmission service provider, and measured in megawatt-hours ("MWh") or kilowatt-hours ("kWh").

Environmental Attributes: All Environmental Attributes and Green Attributes, as those terms are defined in D.08-08-028 of the California Public Utilities Commission, as may be amended, and all renewable energy credits as that term is defined under section 399.12 of the California Public Utilities Code, as may be amended, all Renewable and Environmental Attributes as defined by WREGIS, as well as any credits, carbon benefits, carbon emission reductions, carbon offsets or allowances, howsoever entitled, attributed to the electrical energy produced at the Facility recognized under Assembly Bill 32 Global Warming Solutions Act of 2006, as may be amended.

Facility (Facilities): The electric generators and associated equipment of the Project from which the Energy, Capacity, Capacity Attributes, and Green Attributes delivered or scheduled hereunder shall be generated.

FERC: The Federal Energy Regulatory Commission or any successor government agency.

Green Attributes: Shall mean the same as Environmental Attributes

GWh (Gigawatt-hours): A unit of energy measurement corresponding to 1,000 megawatt-hours.

Interconnection Agreement: The agreement(s) Seller enters into to connect the Facility to the grid for the purpose of delivering Product to the Point of Delivery.

Maximum Hourly Energy Delivery: The maximum energy (MWH) that Buyers will make payment for in any hour which is equal to Contract Capacity * 1 hour.

MWh (Megawatt-hours): A unit of energy measurement corresponding to 1,000 kilowatt-hours.

NERC: The North American Electric Reliability Corporation, or any successor organization.

NERC Holidays: Days that NERC establishes as holidays for electric energy trading.

Offer(s): Respondent's written submittal response to the RFO.

Participants: Anaheim Public Utilities (APU), Imperial Irrigation District (IID), Los Angeles, Department of Water and Power (LADWP), Riverside Public Utilities (RPU), Modesto

Irrigation District (MID), Sacramento Municipal Utility District (SMUD), and Turlock Irrigation District (TID).

Party/Parties: Buyers and Seller are referred to individually as a “Party” and collectively as “Parties.”

Peak Reliability (Peak): The entity that fulfills the duties of the Reliability Coordinator, as defined by the NERC, and as delegated by the WECC, for its Reliability Coordinator Area in the western United States and western Canada, or any successor organization.

Point of Delivery (POD): The specified physical point at which the title to power and associated attributes transfers from Seller to Buyers.

Power Purchase Agreement (PPA): A contract executed between Buyers and the Seller wherein the Seller delivers the Products to Buyers, which Buyers accept and pay for under the terms of the PPA.

Portfolio Content Category 1 (PCC-1): Renewable energy comprised of Energy and Environmental Attributes meeting the criteria definition referenced by the CEC Renewables Portfolio Standard (RPS) Eligibility Guidebook, for Portfolio Content Category 1, as may be amended or supplemented from time to time, and meeting any applicable regulations promulgated by the CEC for local publicly owned electric utilities (POU Regulations).

Products: The Energy, Capacity, Capacity Attributes, and Environmental/Green Attributes which are generated by the Facility and delivered to the Delivery Point under a Power Purchase Agreement.

Project: The electric generators and associated equipment from which the Energy, Capacity, Capacity Attributes, and Green Attributes delivered or scheduled hereunder shall be generated.

Proposal: Any submittal by a Respondent replying to this RFO.

Renewable Energy Credit (“REC”): A certificate of proof issued by WREGIS (WREGIS Certificate) that an ERR has generated one megawatt hour (MWh or 1,000 kWh) of electricity. A REC shall also have the same meaning as in California Public Utilities Code Section 399.12(h). Currently RECs are used to convey Environmental/Green Attributes associated with electricity production by a renewable energy resource. For purposes of this Agreement, the term REC shall be synonymous with bundled or unbundled renewable energy credit, tradable renewable energy certificates, WREGIS certificate, or any other term used to describe the documentation that evidences the renewable and Environmental/Green Attributes associated with electricity production by an Eligible Renewable Energy Resource.

Resource Adequacy: A requirement by a governmental authority or in accordance with its FERC-approved tariff, or a policy approved by a local regulatory authority, that is binding upon either Party and that requires such Party procure a certain amount of electric generating Capacity.

Respondent(s): The entity or entities responding to this RFP.

Renewable Portfolio Standard (RPS) – See California Renewable Portfolio Standard.

RPS Certification: A certification by the CEC that the Facility is eligible for the purposes of the California Renewable Portfolio Standard, and that all Energy produced by the Facility, net of Station Service Load, qualifies as generation from an Eligible Renewable Energy Resource.

Schedule: Any schedule for the delivery, production or use of Energy, Capacity, and/or transmission that is in compliance with NERC Scheduling (NERC tagging) requirements and, if required for submission to the CAISO, also meets the requirements for a CAISO Schedule.

Scheduling: The act of producing, or relating to the production of, a Schedule for the delivery, production or use of Energy, Capacity, and/or transmission that is in compliance with NERC Scheduling (NERC tagging) requirements.

Scheduling Coordinator: An entity authorized to submit to the CAISO a balanced generation or demand Schedule on behalf of one or more generators, and/or one or more end-user customers.

Request For Proposals (“POU RFP”): This Request for Proposals.

Station Service Load: The electrical loads associated with the operation and maintenance of the Facility that may at times be supplied from the Facility Energy.

Term Sheet: The Power Purchase Agreement Term Sheet attached to this RFO (Appendix A), or any mutually agreed modification of such document.

WECC: The Western Electricity Coordinating Council, the regional entity responsible for coordinating and promoting bulk electric system reliability in the western United States and western Canada, or any successor organization.

WREGIS: The Western Renewable Energy Generation Information System, sponsored by WECC and utilized by the CEC for tracking the generation and transfer of RECs, or any successor renewable energy tracking system sponsored by WECC and utilized by the CEC for implementing California’s RPS, including tracking the generation and transfer of REC’s.