



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

REQUEST FOR INFORMATION

(RFI)

Energy Exchange Agreement Pricing

Responses to Clarification Questions

1. Q: Could you please provide historical hourly meter data for each of the wind farms? Or if not meter, anonymized hourly scheduling data for each wind farm showing the volume scheduled off the farm would suffice.
 - a. Up to 5 years of historical would be preferred

A: Please see the Excel spreadsheets attached to this RFI webpage.

2. Q: How does SCPPA propose to calculate the Annual Settlement Price under the energy neutrality adjustment

A: A weighted average of ICE Mid-C Off-Peak daily prices weighted by daily Delivered Product MWh divided by total annual Delivered Product.

$$\text{Annual Settlement Price} = \sum_{i=1}^{365} \left(\frac{DEL_i}{ADEL} \times Index_i \right)$$

Where:

- $Index_i$ = the Mid-C Off-Peak ICE index for day i
- DEL_i =
 - Quantity of SCPPA Delivered Product (MWh) delivered to the POI on day i when SCPPA is owed money, or
 - Quantity of Party Delivered Product (MWh) delivered to the POD on day i when Party is owed money

- ADEL = calendar-year total of the same product type (total MWh delivered that year)
3. Q: Is the energy neutrality calculated against the actual production (meter based) or against the net scheduled energy?

A: Energy neutrality is calculated against *Delivered Product*, which is based on forecasts/schedule and may include adjusted forecast quantities, not strictly meter-based actual production. "Actual generation" only matters as part of Delivered Product, which itself is a blend of actual + certain forecasted-but-curtailed quantities.

The balancing is fundamentally forecast/schedule-based, with adjustments.

How "Energy Neutrality" Is Applied

For each calendar year:

$$\text{Total Delivered MWh (POD)} \approx \text{Total SCPPA Delivered MWh (POI)}$$

This is a forecast-based balancing, not a real-time settlement mechanism.

Energy Neutrality is Calculated Against *Scheduled/Forecast-Based Delivered Product*, Not Actual Meter Output Alone. The term SCPPA Delivered Product includes:

- Actual generation delivered to the POI, and
- Certain forecasted energy that "could have been generated" but was curtailed due to transmission-related reasons (per each agreement's definition of SCPPA Delivered Product).

Thus, energy neutrality is NOT simply based on meter readings.

How the Neutrality Adjustment Works

If, after June 30, forecasts show a significant discrepancy between:

- Forecast total SCPPA Delivered Product (POI), and
- Forecast total Delivered Product (POD), then both Parties adjust the Delivered Product schedule upward or downward to stay energy-neutral.

Key points:

- This is a forecast-driven adjustment, not a meter-driven one.
- Adjustments occur through Schedulers/Authorized Representatives and must be documented in writing.
- If adjustments are insufficient, the year-end Residual Product settlement applies.

Year-End Settlement (Residual Product)

If, as of Dec 31:

- SCPPA Delivered MWh > Party Delivered MWh → Party pays SCPPA
 - Party Delivered MWh > SCPPA Delivered MWh → SCPPA pays Party
- In either direction, payment uses the Annual Settlement Price formula.