



**SAN DIEGO GAS AND ELECTRIC COMPANY**  
ELECTRIC AND FUEL PROCUREMENT DEPARTMENT  
8315 CENTURY PARK COURT, CP21D  
SAN DIEGO, CA 92123

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# **SDG&E's 2018 INTEGRATED DISTRIBUTED ENERGY RESOURCE (IDER) INCENTIVE PILOT RFO**

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2018  
IDER INCENTIVE PILOT  
REQUEST FOR OFFERS  
("RFO")

Seeking firm distribution capacity from the  
following resource types:

ENERGY EFFICIENCY, DEMAND  
RESPONSE, RENEWABLES, ENERGY  
STORAGE, AND DISTRIBUTED  
GENERATION

To provide traditional distribution project  
deferral  
near Carlsbad, CA

**ISSUED**  
JANUARY 10, 2018

**OFFERS DUE**  
FEBRUARY 9, 2018

**RFO WEBSITE**

<http://www.sdge.com/2018IDERIncentivePilotRFO>

EMAIL QUESTIONS/COMMENTS TO BOTH  
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**Record of Changes**

Date	Explanation of Change	Section / Page of Document
1/31/18	1. Typos corrected in Section 2	Sec 2, Pg 7-8

## TABLE OF CONTENTS

1.0 Background and Scope of the RFO .....	5
2.0 PROCUREMENT Process .....	7
3.0 Eligibility and other Requirements .....	9
BID CONFORMANCE EVALUATION .....	9
4.0 EVALUATION Criteria .....	18
QUANTITATIVE EVALUATION .....	18
A.    NET Distribution CAPACITY BENEFITS / Distribution-Transmission Deferral Value .....	19
B.    NET ENERGY and Ancillary Services BENEFITS .....	19
C.    DISTRIBUTION SYSTEM IMPACTS.....	19
QUALITATIVE EVALUATION .....	20
A.    PROJECT VIABILITY.....	20
B.    ADHERENCE TO TERM SHEET TERMS AND CONDITIONS.....	20
C.    SUPPLIER DIVERSITY .....	20
D.    LOADING ORDER RANKING .....	21
E.    VOLTAGE AND OTHER POWER QUALITY SERVICES .....	21
F.    EQUIPMENT LIFE EXTENSION.....	21
G.    SOCIETAL NET BENEFITS .....	21
H.    PORTFOLIO FIT.....	21
I.    OTHER QUALITATIVE FACTORS THAT MAY BE CONSIDERED .....	21
5.0 RFO Schedule .....	22
A.    Non-Binding Schedule.....	22
B.    PRE-BID CONFERENCE / BIDDER OUTREACH EVENT.....	22
6.0 RFO Website and Communications .....	23
A.    RFO Website and PowerAdvocate® .....	23
7.0 RFO Response Instructions .....	25
8.0 REJECTION of offers.....	27
9.0 CONFIDENTIALITY .....	28



10.0	Role of the PRG and the Independent Evaluator.....	30
A.	Procurement Review Group (“PRG”) .....	30
B.	Independent Evaluator .....	30
11.0	SDG&E Background .....	31
12.0	Credit Terms and Conditions .....	32
i.	Shortlist Acceptance Fee. ....	32
	RPS Eligibility Criteria.....	36

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## 1.0 BACKGROUND AND SCOPE OF THE RFO

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In accordance with Decision (“D.”)16-12-036 – Decision Addressing Competitive Solicitation Framework and Utility Regulatory Incentive Pilot (the “Integrated Distributed Energy Resources (or IDER) Incentive Pilot Decision”) issued on December 22, 2016 and Resolution (“R.”) E-4889 adopted on December 14, 2017, San Diego Gas & Electric Company (“SDG&E”) is issuing its 2018 IDER Incentive Pilot Request for Offers (“RFO”) to solicit offers from owners and operators of Energy Efficiency (“EE”) programs, Demand Response (“DR”) programs, renewable generation resources, Energy Storage (“ES”) resources and/or Distributed Generation (“DG”) resources to be installed, implemented and/or located near Carlsbad, California<sup>1</sup>. These resources are being sought by SDG&E in order to defer distribution projects that otherwise would have been completed in order to maintain system safety and reliability (that is, traditional distribution upgrades or build out). Parties responding to this RFO are referred to as “Respondents”.

SDG&E is issuing this 2018 IDER Incentive Pilot RFO in order to contract with third party resources to provide distribution capacity as defined later in this document<sup>2</sup> in order to enable traditional distribution project replacement or deferral.

As authorized in the IDER Incentive Pilot Decision, SDG&E is seeking distribution capacity as shown in Appendix B for circuits 303 and 783 near Carlsbad, California. SDG&E will consider integrated hybrid resource types to meet the total required distribution capacity for each circuit to be considered one project with one counterparty per circuit.

The minimum contract delivery term SDG&E is willing to consider is five (5) years and the maximum contract term to be considered is ten (10) years.

In order to be conforming, offers must include sufficient capacity on both circuits 303 and 783 to meet the minimum capacity requirements as described in Appendix B, however, SDG&E may choose to contract with different Respondents on each of these circuits. Respondents should structure and price their offer such that SDG&E may choose to contract for deliveries on one or both circuits.

If more than one resource / resource type is necessary in order to meet the minimum capacity amounts shown in Appendix B, they must be integrated (ie, one counterparty with cross defaults for failing to meet aggregate performance). For example, SDG&E will not sign one contract with company X for solar facilities and a separate contract with company Y for an energy storage facility both on the same circuit.

The Independent Evaluator (“IE”) for this solicitation is PA Consulting (primary contact is Barbara Sands – e-mail: [Barbara.Sands@PAConsulting.com](mailto:Barbara.Sands@PAConsulting.com)).

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<sup>1</sup> Specifically, on or near (that is, able to affect loading) on SDG&E distribution circuits 303 and 783. See map in Appendix A for more details.

<sup>2</sup> See section 3.0 (Eligibility Requirements) and the tables in Appendix B for further information.

SDG&E is providing the following assumptions about distribution planning activity below:  
 For reference, the table below contains forecast assumptions in nameplate growth of each resource type in a given year for circuits 303 and 783. Nameplate growth will have varying impacts on circuit peaks (e.g., depending on load / consumption profiles).

DER Nameplate (kW) Forecast for circuits 303/783										
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>303</b>										
EE Com	45	32	39	31	41	45	54	53	48	50
EE Res	111	143	124	122	117	118	113	121	134	127
Solar	0	40	40	60	100	120	120	140	140	140
EV	3	13	22	26	29	26	22	16	13	13
<b>783</b>										
EE Com	49	35	42	34	44	49	58	57	52	54
EE Res	144	185	161	158	152	153	146	156	173	164
Solar	180	260	280	260	200	160	100	80	60	40
EV	32	32	54	51	42	29	22	16	10	10

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## 2.0 PROCUREMENT PROCESS

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This solicitation sets forth the terms and conditions of SDG&E's 2018 IDER Incentive Pilot RFO. By responding to this RFO, the Respondent agrees to be bound by all the terms, conditions, and other provisions of this RFO and any changes or supplements to it that may be issued by SDG&E at anytime.

After shortlisted Respondents have accepted their shortlisted position with SDG&E and remitted the Shortlist Acceptance Fee<sup>3</sup>, further contract negotiations will commence. Being shortlisted does not guarantee that a contract will be negotiated or executed with the Respondent.

SDG&E will seek CPUC approval of all executed agreements resulting from this RFO. SDG&E reserves the right to execute agreements with individual Respondents at any time after short listing and to seek CPUC approval for individual agreements in order to expedite the approval process.

### A. Other Needs and Associated Value

The valuation approach for this RFO is described in detail in section 4.0<sup>4</sup>, but to summarize, SDG&E is seeking distribution capacity as described in Appendix B no later than February 1, 2020 on circuits 303 and 783 near Carlsbad, CA.

Although the minimum requirement is for resources to provide available distribution capacity and growing in accordance with the requirements shown in Appendix B, to the degree a resource is able to provide other attributes, appropriate value will be attributed to the offer, for evaluation purposes. For example, if Respondents choose to fulfill the requirements necessary to qualify for Resource Adequacy<sup>5</sup> ("RA"), additional capacity benefits may be attributed to an offer. Additionally, if a Respondent is offering a Renewable Portfolio Standard ("RPS") qualifying resource (or a load reducing resource – that is, DR or EE), SDG&E will include value for the Renewable Energy Credits ("RECs")<sup>6</sup>.

Attributes beyond distribution capacity will receive quantitative or qualitative consideration as described in Section 4.0, however, SDG&E intends to only procure (and therefore pay for) distribution capacity. Other attributes are not the focus of this procurement effort, but will included in the evaluation. Respondents can sell these other attributes to other parties besides SDG&E if they so choose.

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<sup>3</sup> See section 12 of this RFO for further details

<sup>4</sup> The IDER Incentive Pilot Decision, Appendix A includes the approved valuation components that SDG&E will consider in this RFO.

<sup>5</sup> See the following CPUC decisions for guidance: D.10-06-036, D.11-06-022, D.12-06-025, D.13-06-024, D.14-06-040 and D.15-06-063 among others. Additionally, see the CAISO's "Flexible Resource Adequacy Criteria and Must-Offer Obligation", Market and Infrastructure Policy Revised Draft Final Proposal of March 7, 2014. To summarize, the requirements to qualify for RA can be complex; for example, currently the requirement for energy limited resources is availability of the resource for three consecutive days for four hours per day. Additionally, Full Capacity Deliverability Status (FCDS) would be required as well as available deliverability.

<sup>6</sup> Load reducing resources lessen SDG&E's RPS procurement obligation and therefore will also receive the REC value benefit described here.

## **B. Agreements**

SDG&E has posted a Term Sheet for this RFO. Note that the Term Sheet is available on the RFO website for this RFO are subject to CPUC requirements and may be subject to change at any time throughout the course of the RFO. As part of any bid submittal, Respondents must provide redlined changes or comments to the Term Sheet.

Given the eligibility requirements described in section 3.0, it is possible that a hybrid resource that includes more than a single technology may be best suited to fulfill these requirements. SDG&E has not attempted to draft and post model agreements that would accommodate various combinations of hybrid technologies, but the following contract priorities will be included:

- Early termination off-ramps for failure to meet development milestones, allowing other solutions to be pursued (contingency plans). SDG&E will include contract milestones and timing so that it becomes clear as early in the development / customer recruitment process as possible if a fatal flaw is present. This is intended to allow SDG&E to pursue other solutions in time to maintain safety and reliability.
- Credit and Insurance requirements. Given that the purpose of these projects is to maintain safety and reliability, SDG&E will require that appropriate enhanced credit support and insurance be maintained.
- Performance and damage considerations. Given that the purpose of these projects is to maintain circuit reliability, SDG&E will include appropriate performance requirements and damages provisions, which may include liquidated damages, indemnification and/or other remedies.

## **C. Reliability**

All proposed projects must provide reliable firm distribution capacity. As available energy or unit contingent capacity is not sufficient.

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### 3.0 ELIGIBILITY AND OTHER REQUIREMENTS

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Respondents must comply with the requirements described herein. SDG&E, may, in its sole discretion, change the terms, requirements and schedule of the solicitation at any time, without notice. Respondents should monitor the RFO Website for announcements regarding changes to this RFO. Respondents must provide offers for projects, including integrated hybrid projects, on both listed herein, however, SDG&E may choose to contract with separate Respondents on each circuit.

#### BID CONFORMANCE EVALUATION

SDG&E may reject an offer if:

1. There is evidence of market manipulation by the Respondent in the bid preparation or offer process;
2. The Respondent does not provide adequate evidence that it meets minimum participation or eligibility criteria;
3. There is doubt the offered project can meet minimum resource criteria or can meet the required on-line or start dates;
4. There is doubt the Respondent or project can satisfy the terms and conditions of the contract; or,
5. The Respondent does not comply with RFO timing or other RFO requirements.

#### A. Overall Eligibility Criteria

##### 1. Location

To be eligible for this RFO, resources included in the offer must interconnect to and/or serve customers (that is, provide distribution capacity) on circuits 303 or 783 near Carlsbad, CA. For DR or EE program resources, customers to be enrolled in the program must take service from the circuit for which the Respondent is providing the offer. SDG&E provides as much customer composition information below as possible while preserving customer privacy and confidentiality to help bidders understand the distributed energy resources potential of this location. SDG&E will not provide a listing of customers that take service from these circuits before contracts are executed with any counterparty. DR, DG, or EE program providers must verify the serving circuit as part of the enrollment process (note that SDG&E bills contain the circuit information). Relevant information with regard to project location:

- See Appendix A for a general map of the locations of circuits 303 and 783.
- The total customer composition<sup>7</sup> of circuits 303 and 783 are approximately:
  - o Residential: approximately 10,000 customers
  - o Small Commercial (peak load less than 20kW): less than 500 customers
  - o Medium Commercial (peak load 20 to 200 kW): less than 100 customers
  - o Large Commercial (peak load greater than 200 kW): much less than 100 customers
  - o Agriculture: much less than 100 customers

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<sup>7</sup>The customer composition provided above is done in accordance with the privacy rules. The level of detail on customer composition may vary in SDG&E Requests for Offers, depending on the actual customer composition in question.

- SDG&E will provide the following post contract customer acquisition support:
  - o Confirmation of this solicitation will be provided on SDG&E's website at <http://www.sdge.com/request-proposals>.
  - o SDG&E provides specific customer information to companies under contract with SDG&E as required and in accordance with privacy rules. Companies must request such information through SDG&E's privacy office, must meet SDG&E's business requirements for needing and receiving the data (including system requirements for storing and protecting the data) must have a signed non-disclosure agreement in place with SDG&E for the work the data pertains to (or adequate nondisclosure language in their contract with SDG&E), and must destroy or return the data after a specified period. More information regarding this process can be found at <https://energydata.sdge.com/showAboutProcess>. Additionally, Demand Response Providers who are registered with SDG&E under SDG&E's Electric Rule 32 may have their customers submit Customer Information Service Request (CISR) – DRP forms to SDG&E to receive additional data.

## 2. Required Electrical Characteristics / Megawatt Quantities

In order to be a conforming offer, the resource(s) included in the Respondent's offer must provide the minimum distribution capacity described in Appendix B for either circuit 303 or 783.

Please note that the capacity amounts included in the Appendix B tables are for the June 1 – October 31 period for the hours shown for each year. Resources must be able to provide the required capacity either providing the capacity every day or by responding to a day-ahead dispatch instruction from SDG&E.

More detailed information on requirements for these circuits is available in Appendix B and via an interactive map application available through SDG&E's website. Access to this data is available to the public; however, each individual must have a unique logon. The form and process to acquire a user name and password is available here:

<http://www.sdge.com/generation-interconnections/enhanced-integration-capacity-analysis-ica>.

In order to register as an authorized user of this system, scroll down to the link labeled: "Download Form and Register"; click on the link and follow the instructions. For existing users with a logon, please click the "Instructions to access and use the map" link and follow the instructions. Requests for logon authorization are usually provided within two business days of the submitted request. If you need assistance in viewing/registering for the interactive map, contact us via email at [sdgeinterconnectionmap@semprautilities.com](mailto:sdgeinterconnectionmap@semprautilities.com) or phone (858) 636-5581 during regular business hours (Mon-Fri, 7am-4pm).

## 3. Required Start Date / Delivery Term Requirements

The delivery term acceptable to SDG&E for this RFO is five (5) years and the maximum delivery term acceptable is ten (10) years. Respondents are encouraged to make multiple offers

including different contract term lengths for SDG&E's consideration. Deliveries will begin on June 1, 2020 but to be conforming, resources must be on-line by February 1, 2020 for testing.

#### 4. Incrementality

Resources must be incremental to those resources already expected to support reliability on circuits 303 and 783. The approach to determine incrementality described here is consistent with the principles discussed at the March 30, 2017 and April 20, 2017 Distribution Planning Advisory Group ("DPAG") meetings conducted in San Francisco as ordered by the IDER Incentive Pilot Decision and adopted in D.16-12-036 and Resolution 4889-E. Respondents must include their justification for claims that their proposal meets this incrementality rule within the offer form.

The primary factor that determines whether a resource offered is incremental or not has to do with sourcing; that is, whether (or to what degree) a mechanism already exists for the utility to acquire such resources. There are three categories of sourcing that determines incrementality, as described below:

- a. **Not already sourced through another channel.** This means the resource is a new technology or service that is not already being sourced or reasonably expected to be sourced through another solicitation, program or tariff. These resources are fully incremental and conforming<sup>8</sup>.
- b. **Partially sourced through another channel.** This means the resource has at least some component of the technology or service that is already being sourced through another solicitation, program or tariff. Only the portion that is not currently or reasonably expected to be procured by the utility through other mechanisms will be considered incremental and will be considered in the valuation.
- c. **Fully sourced through another channel.** This means the resource is already being sourced through another solicitation, program or tariff and is therefore not incremental. These resources will be considered nonconforming in their entirety<sup>9</sup>.

For clarity, existing resources that offer services that do not conflict with the incrementality principles in Decision 16-12-036, may be considered incremental for the purposes of this pilot.

SDG&E may allow energy efficiency interventions that propose to provide value through:

- Accelerating the uptake of measures for which only upstream incentives are currently offered;
- Bringing a greater volume of participation to the existing downstream programs through new marketing and/or delivery strategies;
- Implementing brand new efficiency strategies.

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<sup>8</sup> Example: Hybrid or all-electric water heater EE program.

<sup>9</sup> Example: Roof-top solar without any differentiating characteristics such as smart inverters, or a behind-the-meter generation resource that would be eligible to receive SGIP funding that do not provide incremental distribution services. Respondents must describe such incremental services provided by NEM or SGIP related projects in the project / program description form submitted as part of the offer package. Since such resources have an existing funding mechanism and can reasonably be expected to be sourced elsewhere, they are considered not incremental in this solicitation and therefore are nonconforming.

As stated in the Resolution, the key to successful bids should be convincing program theories, and delivery strategies that are supported by a plan to collect meaningful in-program supporting documentation of program influence, and/or reliable verification methods to ensure capture of claimed savings. Bidders must be convincing in presenting a plan that will result in incremental savings relative to existing programs, and must include a robust methodology to verify claimable (incremental) savings and avoid any possible double-counting of savings. In addition, the proposals should provide a cost assessment methodology that is equally as robust in its incrementality; it must ensure an apples-to-apples comparison with other resources by fully reflecting all embedded costs of the existing programs or infrastructure being leveraged in the proposal.

To assist in understanding what SDG&E is already procuring via various programs, please refer to Appendix E that includes a representative summary of SDG&E's typical DR, DG, and EE programs as of 2017.

## **5. Safety**

SDG&E requires that third party owned and operated facilities or programs be operated and maintained in accordance with good industry practices, and all applicable requirements of law, the CAISO, NERC and WECC related to the project including those that are related to safety. In the project / program description form that Respondents will provide as part of the offer package, SDG&E asks Respondents to confirm that this requirement will be satisfied by their project or program. The offer will be considered non-conforming if the Respondent insufficiently confirms compliance with this requirement.

## **6. Project Stewardship**

Respondent will own and operate the facility(ies) associated with the offer and be responsible for development, land acquisition, fuel supply source and transportation, permitting, financing and construction for the facility(ies) <sup>10</sup>.

## **7. Interconnection**

For projects that require interconnection, SDG&E will accept either a Wholesale Distribution Access Tariff ("WDAT") or a Rule 21 interconnection. Information on SDG&E's interconnection process can be found at: <https://www.sdge.com/generation-interconnections/small-generation-interconnections>

## **8. Contingency Plan**

Should one or more DER projects fail to install their projects according to the terms of the contracts, SDG&E will evaluate potential solutions based on the timing of when the situation may occur. If time permits, SDG&E may consider entering into bilateral contract(s) with other offers received during the solicitation. If, however, there are no timely and cost-effective replacement DER contracts available, SDG&E will install infrastructure to meet the distribution need and follow existing Commission approval and cost recovery processes in the event it becomes necessary to implement a

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<sup>10</sup> A direct contractual relationship with the operator of the facility is sufficient to meet this criterion.

traditional investment. SDG&E shall consult with the Independent Evaluator, Procurement Review Group and the Commission's Energy Division staff whenever a contingency occurs during the solicitation phase.

## **B. Product Type / Firm Deliveries / Resource Specific Eligibility Criteria**

### **1. Product Type, General / Firm Deliveries**

SDG&E is seeking firm distribution capacity, from one resource or hybrid integrated systems. Respondents are responsible for detailing product type in the offer form (i.e. how their project is firm). All proposed projects must provide reliable firm distribution capacity.

SDG&E is not seeking RA products, but will incorporate potential RA value into the evaluation.

SDG&E considers behind-the-meter ("BTM") solutions to be those installed at an existing customer premise whose energy flows through an existing customer meter at retail rates. SDG&E does not categorically exclude or prohibit BTM solutions that export energy to the grid from participating in the solicitation process. To the degree that BTM solutions that export energy to the grid are cost effective relative to the other bids, SDG&E will explain jurisdictional or other regulatory barriers that would prevent SDG&E from considering the contract.

### **2. Energy Efficiency**

There are no additional EE specific eligibility criteria for this solicitation. Please see the 'Overall' eligibility criteria listed above, the 'Participation Criteria' listed below, as well as Appendix D (the California Energy Efficiency Program) for additional information.

### **3. Demand Response**

In addition to the 'Overall' eligibility criteria listed above and the 'Participation Criteria' listed below, DR resources must satisfy the following eligibility criteria:

SDG&E considers BTM energy storage to be Demand Response, and therefore it must be offered as DR or it will not be considered. While site control, permits, and ownership are not required for BTM products at the time of bidding, they may be used as a qualitative evaluation criteria.

### **4. Renewables**

In addition to the 'Overall' eligibility criteria listed above and the 'Participation Criteria' listed below, renewable resources must satisfy the following eligibility criteria to be eligible for consideration as an attribute in the evaluation.

#### **a. RPS Eligibility**

- i. Respondents may choose to include renewables that are RPS eligible, or not.
- ii. If the project will seek to be RPS Eligible, it must be: (1) CEC-certifiable as an eligible renewable resource ("ERR"), and cannot be subject to any moratorium or injunction against procurement by the California Energy Commission, California Public Utility Commission, or other legal authority with jurisdiction over utility procurement; and (2) RPS Product Category: The product must

be a Category 1 (bundled products as defined in Public Utilities Code 399.16(b)(1)(A-B)). Please see Appendix C – California RPS Program Information for additional details regarding the RPS program.

- b. Permits. Respondents must include evidence that they have received or have applied for the necessary permits to allow the lawful operation of the renewable facility and that the renewable facility can operate under those permits for the entirety of the proposed contract term.
- c. Site Control. Respondents must have, at time of bidding, site control for the duration of the contract term proposed in their offer. Site control may be evidenced by documentation of:
  - i. direct ownership;
  - ii. a lease; or
  - iii. an option to lease or purchase upon contract approval. The option must be an exclusive option to the respondent that is exercisable at least through June 29, 2018.
- d. Ownership. Respondents must own or have positive control of the renewable facilities and have responsibility for development, land acquisition, permitting, financing, construction and operation of the facilities.

While site control, permits, and ownership are not required for BTM products at the time of bidding, they may be used as a qualitative evaluation criteria.

## 5. Energy Storage

In addition to the ‘Overall’ eligibility criteria listed above and the ‘Participation Criteria’ listed below, energy storage resources must satisfy the following eligibility criteria:

- a. Technology. Energy storage facilities must meet the energy storage definition included in PU Code 2835.
- b. Permits. Respondents must include evidence that they have received or have applied for the necessary permits to allow the lawful operation of the Energy Storage facility and that the Energy Storage facility can operate under those permits for the entirety of the proposed contract term.
- c. Site Control. Respondents must have, at time of bidding, site control for the duration of the contract term proposed in their offer. Site control may be evidenced by documentation of:
  - i. direct ownership;
  - ii. a lease; or
  - iii. an option to lease or purchase upon contract approval. The option must be an exclusive option to the respondent that is exercisable at least through June 29, 2018.

- d. Ownership. Respondents must own or have positive control of the energy storage facilities and have responsibility for development, land acquisition, permitting, financing, construction and operation of the facilities.

## 6. Distributed Generation

In addition to the ‘Overall’ eligibility criteria listed above and the ‘Participation Criteria’ listed below, DG resources must satisfy the following eligibility criteria:

- a. Metering. For customer sited, aggregated resources, the resource must be separately metered.
- b. Permits. Respondents must include evidence that they have received or have applied for the necessary permits to allow the lawful operation of the DG facility and that the DG facility can operate under those permits for the entirety of the proposed contract term.
- c. Site Control. Respondents must have, at time of bidding, site control for the duration of the contract term proposed in their offer. Site control may be evidenced by documentation of:
  - i. direct ownership;
  - ii. a lease; or
  - iii. an option to lease or purchase upon contract approval. The option must be an exclusive option to the respondent that is exercisable at least through June 29, 2018.

Site Control is not applicable for aggregated, customer sited resources.

- d. Ownership. Respondents must own or have positive control of the DG facilities and have responsibility for development, land acquisition, permitting, financing, construction and operation of the DG facilities.
- e. The DRP Guidance Ruling<sup>11</sup> defines three categories of natural gas fired DG (fuel cells, Combined Heat & Power (“CHP”) and stationary internal combustion engines) as eligible DERs if these resources can show that they are able to “produce greenhouse gas (“GHG”) emissions reductions over its lifecycle.” If Respondents believe this is true of their offer, space is provided in the DG Project Description Form to provide an explanation of how this requirement is met. If the explanation is satisfactory, these resources may be considered.

While site control, permits, and ownership are not required for BTM products at the time of bidding, they may be used as a qualitative evaluation criteria.

## C. Participation Criteria

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<sup>11</sup> Assigned Commissioner’s Ruling on Guidance for Public Utilities Code Section 769 – Distribution Resource Planning (or “DRP Guidance Ruling”) is available here: <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M146/K374/146374514.PDF> The definitions discussion begins at page 14.

## 1. ASC 810 (FIN46) Requirements

Generally Accepted Accounting Principles and SEC rules require SDG&E to evaluate whether SDG&E must consolidate a Respondent's financial information within SDG&E's financial statements. SDG&E will require access to financial records and personnel to determine if consolidated financial reporting is required. If SDG&E determines at any time that consolidation is required, SDG&E shall require the following during every calendar quarter for the term of any resultant agreement:

- a) Unaudited financial statements with footnotes, within 15 calendar days of the end of each quarter;
- b) Audited financial statements with footnotes within 90 calendar days of the end of the year,
- c) Financial schedules underlying the financial statements, within 15 calendar days of the end of each quarter;
- d) Access to records and personnel, so that SDG&E's internal or independent auditor can conduct financial audits (in accordance with generally accepted auditing standards) and internal control audits (in accordance with Section 404 of the Sarbanes-Oxley Act of 2002) and so that SDG&E can meet its SEC filing requirements. The rights and obligations under the agreement shall survive the termination of the agreement for a period of two years;
- e) Certifications by duly authorized representatives as may be reasonably requested by SDG&E; and
- f) Such other information as reasonably requested by SDG&E.
- g) If consolidation is required and considered material by SDG&E to SDG&E's financial statements or its parent company's financial statements and SDG&E reasonably determines the Respondent's internal controls over financial reporting are considered to be significantly deficient or a have a material weakness, then the Respondent must remediate within 30 calendar days;
- h) The Respondent must provide SDG&E any SEC Form 8K disclosures, or equivalent disclosures, two calendar days after the occurrence of the SEC Form 8K or similar event; and
- i) The Respondent must notify SDG&E at any time during the term of the agreement of any consulting (non-independent) services proposed to be provided to the Respondent. by SDG&E's independent auditor.

Any information provided to SDG&E shall be treated as confidential, except that it may be disclosed for financial statement purposes. Full details of SDG&E's requirements in connection with consolidation are set forth in the Term Sheet.

If the Respondent is unable or unwilling to provide the above, the offer may be considered non-conforming.

## 2. Affiliate Relationship with Sempra Energy

The Respondent must describe any affiliate relationship with SDG&E or Sempra Energy, if one exists.

#### **D. Additional Requirements for Shortlisted Offers:**

1. For resource types that require an interconnection to the SDG&E or CAISO grid, Respondents shall be financially responsible for the interconnection costs up to the point of interconnection with the distribution network in accordance with applicable laws. Interconnection costs allocated to the project and to be paid by Respondent (i.e. non-reimbursable) should be included in the offer price. Reimbursable network upgrade costs are ultimately borne by ratepayers and therefore should not be included in the offer price, but are collected separately within the offer form. Evaluation of the network upgrades is discussed within Evaluation Criteria in section 4.C.
2. Respondents must obtain final interconnection studies, permitting, and site control during the development process (i.e. a final interconnection facilities study report (or equivalent)).
3. Depending on the resource and characteristics, Respondents may be required to provide personnel required to operate the facility and / or manage and run the program, year-round (24/7) to ensure safety and reliability to customers and the surrounding community.
4. For all resources that propose to qualify for RA, resource operations will be scheduled in accordance with the CAISO Tariff, as from time to time modified. CAISO compliant real-time metering of the generation will be required for Energy Management System (EMS) data for generation resources.
5. For resources that propose to qualify for RA and require energy metering, Respondents must execute Participating Generator Agreements and Meter Service Agreements as required by the CAISO.
6. For resources that propose to qualify for RA and require energy metering, Respondents shall authorize SDG&E to view the facility's CAISO on-line meter data by identifying SDG&E as an authorized user with "read only" privileges on Schedule 3 of Respondent's Meter Service Agreement with the CAISO.

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## 4.0 EVALUATION CRITERIA

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All incoming offers will be assessed for conformance based on the requirements outlined in Section 3.0. Respondents' offers must conform with minimum participation criteria and eligibility requirements to be considered.

SDG&E will utilize all the information provided in the required forms and narratives to evaluate offers. Respondents are responsible for the accuracy of all descriptions, figures and calculations. Errors in the offers may impact SDG&E's evaluation of the offer.

In accordance with the IDER Incentive Pilot Decision and the DRP Guidance Ruling<sup>12</sup>, SDG&E is soliciting a broad range of resources including energy efficiency, demand response, renewables, distributed generation and energy storage. SDG&E's valuation and selection approach is intended to evaluate the different resource types on as equal a footing as reasonably possible. All offers will initially be checked for conformance with the eligibility and participation requirements outlined in this RFO. Conforming offers will then go through a Least-Cost / Best-Fit (LCBF) / Net Market Value ("NMV") analysis.

Attributes beyond distribution capacity will receive quantitative or qualitative consideration as described below, however, SDG&E intends to only procure (and therefore pay for) distribution capacity. Other attributes are not required in this procurement effort, but they will be included in the evaluation. Respondents can sell these other attributes to other parties besides SDG&E if they so choose. The values that will determine SDG&E's shortlist will be reflective of the quantitative and qualitative benefits we intend to procure.

### **QUANTITATIVE EVALUATION**

SDG&E evaluates and ranks offers based on Least-Cost/Best-Fit ("LCBF") principles. The LCBF analysis evaluates both quantitative and qualitative aspects of each offer to estimate its potential value and its relative potential value in comparison to other offers. The valuation of offers in this solicitation will be in accordance with Appendix A of the IDER Incentive Pilot Decision and will take into account both the benefits and costs associated with the offer. The primary quantitative metric used in SDG&E's LCBF process is a Net Market Value ("NMV") calculation. The NMV calculation is a quantification of the value of an offer when compared to a set of price (or value) benchmarks for capacity, electrical energy, ancillary services, Renewable Energy Credits, GHG, renewable integration, distribution deferral value and transmission deferral value. The applicability of these various possible benefits depend on the nature of the resource being offered. Costs include the contract payment costs and interconnection costs (as applicable).

These benefit and cost components are netted and discounted to yield a NMV for each offer. The NMV of an offer is compared to the NMV of other offers to determine whether that offer is one of the highest ranked. The initial evaluation will be done without regard to credit costs. Once an initial

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<sup>12</sup> See: <http://www.cpuc.ca.gov/General.aspx?id=5071> scroll down to 'Rulemaking' and click on the link titled "Final Guidance Assigned Commissioner Ruling on Distribution Resource plans". This ruling was issued on February 6, 2015 and provides the definition of DERs in this context (see page 14 of the Attachment to the ruling).

listing of the highest ranked offers is determined, a credit analysis will be conducted and credit costs will be considered. However, credit costs will not be added to the bid price for the resource, and shortlisted Respondents should expect to pay their own costs for financing. The economic evaluation normalizes the MW size differences of offers by finding the most attractive NMV per MW of capacity (“Least Cost”).

#### **A. NET DISTRIBUTION CAPACITY BENEFITS / DISTRIBUTION-TRANSMISSION DEFERRAL VALUE**

Capacity benefits are calculated by comparing the capacity costs in the offer to the capacity value to SDG&E. Capacity benefits may include both distribution (and transmission) deferral value and RA capacity value, if the Respondent has indicated that their resource will meet all applicable RA counting rules and all other requirements to qualify the resource to count for RA. The distribution capacity deferral value is determined by calculating the difference between SDG&E’s revenue requirement for the ‘status quo’ distribution upgrade (or build out) and the delayed (or deferred) revenue requirement of the status quo upgrade. The deferral period is based on the offer’s contract term, but in no case will exceed 10 years<sup>15</sup> nor be calculated beyond year-end, 2026. Transmission deferral will be calculated in a similar fashion, providing that a transmission project can actually be deferred by the capacity amounts offered. SDG&E shall provide updates to its cost-effectiveness cap via a letter to the Commission’s Energy Division IDER staff prior to receiving indicative offers and prior to receiving the final bids. This letter will be served in redacted form to the R.14-10-003 service list. Only solicitation related incremental administrative costs incurred after the launch of the pilot will be included in the SDG&E’s cost effectiveness calculation.

#### **B. NET ENERGY AND ANCILLARY SERVICES BENEFITS**

The net energy benefit valuation includes the value of the energy produced (or saved in the case of EE) less any variable costs necessary to produce the energy and is based on an optimized energy dispatch profile (based on when the resource is needed in order to meet the requirements listed in section 3.A.2). Beyond those requirements, dispatch is based on the energy forward price curve. If the Respondent has indicated that all necessary requirements will be met to be capable of participation in the Ancillary Services (“A/S”) market, the dispatch profile (beyond that necessary to meet the requirements listed in section 3.A.2.) will also be optimized for A/S purposes.

#### **C. DISTRIBUTION SYSTEM IMPACTS**

For resources that require grid interconnection, upgrade costs that solely benefit the project and that are paid for by the Respondent (Gen-tie Costs) should be reflected in the offer pricing, and reimbursable network upgrade costs that are ultimately borne by customers will be considered in the economic evaluation of the offer (Network Upgrade Costs).

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<sup>15</sup> The maximum ten year deferral is in accordance with the ten year planning horizon discussed and the non-consensus conclusion drawn for benefits of deferral beyond ten years in the ‘Locational Net Benefit Analysis Working Group Final Report’ available here: <http://drpwwg.org/wp-content/uploads/2016/07/R1408013-et-al-SCE-LNBA-Working-Group-Final-Report.pdf>

## **D. RESOURCE SPECIFIC BENEFITS AND COSTS (INCLUDING RENEWABLES, RENEWABLE INTEGRATION)**

Any quantifiable potential benefits or costs that are unique to a particular resource type will be added to the NMV calculation. For example, a renewable resource that will meet all RPS requirements will have Renewable Energy Credits associated with it and the potential value of those credits will be added as a benefit to the NMV. Additionally, load reducing resources (EE and DR) will also receive a benefit associated with the potential value of the avoided RPS procurement obligation. Resources that have the operational flexibility necessary to aid in integrating renewables may have a renewables integration benefit included, but only to the extent that the benefit is not captured in flexible RA or A/S potential value. If Respondents believe their resource merits such renewables integration benefits, they should provide details in their project or program description form in the space provided for this item.

## **QUALITATIVE EVALUATION**

Qualitative factors and benefits will be used to determine which projects are the “Best Fit” for SDG&E’s portfolio. SDG&E may use these factors to determine advancement onto the short list. Qualitative factors may include, but are not limited to:

### **A. PROJECT VIABILITY**

SDG&E is seeking experienced companies and development teams to develop and operate facilities and programs utilizing commercially available, known and proven technology. Project or program viability will be evaluated on development progress achieved, team member experience, reasonableness of delivery (start) date, interconnection progress (as applicable), permitting progress (as applicable), and other relevant factors. Additionally, the project’s viability will be considered in terms of its ability to reliably provide distribution capacity at or above the required amounts and thereby its ability to help ensure safety and reliability.

### **B. ADHERENCE TO TERM SHEET TERMS AND CONDITIONS**

Respondents may modify the Term Sheet as part of their submittal package to the extent that modifications add value to the offer. SDG&E will review modifications to any terms and conditions proposed in the offer and consider the materiality of these changes.

### **C. SUPPLIER DIVERSITY**

SDG&E strongly encourages Diverse Business Enterprises (“DBEs”), including women-owned, minority-owned, service-disabled veteran owned and LGBT-owned business enterprises as defined in G.O. 156<sup>14</sup>, to participate in this RFO. Furthermore, SDG&E strongly encourages developers to utilize DBEs during various stages of project development and construction. As a part of G.O. 156, SDG&E will require developers to identify, verify and report their DBE contractors/subcontractor spending if any. Additional information on SDG&E’s DBE program can be found at:

<http://www.sempra.com/about/supplier-diversity/>  
<http://www.cpuc.ca.gov/puc/supplierdiversity/>

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<sup>14</sup> See <http://www.thesupplierclearinghouse.com/eligibility/default.asp> for the definition of a DBE.

SDG&E's DBE Program representatives will provide a presentation during the pre-bid conference. DBEs can request additional information by contacting SDG&E at [vendorrelations@semprautilities.com](mailto:vendorrelations@semprautilities.com).

#### **D. LOADING ORDER RANKING**

SDG&E seeks resources in accordance with the loading order described in the Energy Action Plan<sup>15</sup>. SDG&E will give preference to higher loading order ranked resources. For example, SDG&E shall prioritize and consider resources fueled by renewables prior to expanding procurement opportunities to non-renewable generation.

#### **E. VOLTAGE AND OTHER POWER QUALITY SERVICES**

Voltage and other power quality services, beyond requirements in Appendix B, have not been identified as a need for this solicitation. However, to the degree offers include such services that are deemed to provide potential value to the system, such benefits will also be considered during the selection process.

#### **F. EQUIPMENT LIFE EXTENSION**

If the resources included in an offer are deemed to have a potential impact on extending or reducing distribution equipment life, this attribute will be considered during the selection process.

#### **G. SOCIETAL NET BENEFITS**

Where identified, societal benefits and/or costs include public benefits and/or costs that do not have any nexus to utility rates. To the degree that resources included in an offer are deemed to produce either potential societal benefits or costs, this factor will be considered during the selection process.

#### **H. PORTFOLIO FIT**

Portfolio fit considerations such as contract duration (or delivery term) diversity of the offer / resource will be considered during the selection process.

#### **I. OTHER QUALITATIVE FACTORS THAT MAY BE CONSIDERED**

Other qualitative factors may also be considered during the selection process. These factors include, but are not be limited to: counterparty concentration, site diversity, technology / end-use diversity and market transformation and whether or not the resource can help SDG&E achieve multiple mandates.

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<sup>15</sup> Preferred resources are defined in the Energy Action Plan – as updated in the Energy Action Plan II and 2008 update to the Energy Action Plan II as follows: “The loading order identifies energy efficiency and demand response as the State’s preferred means of meeting growing energy needs. After cost-effective efficiency and demand response, we rely on renewable sources of power and distributed generation, such as combined heat and power applications. To the extent efficiency, demand response, renewable resources, and distributed generation are unable to satisfy increasing energy and capacity needs, we support clean and efficient fossil-fired generation.” – See the Energy Action Plan II, p.2 at: [http://www.energy.ca.gov/energy\\_action\\_plan/2005-09-21\\_EAP2\\_FINAL.PDF](http://www.energy.ca.gov/energy_action_plan/2005-09-21_EAP2_FINAL.PDF)

## 5.0 RFO SCHEDULE

### A. NON-BINDING SCHEDULE

The following schedule and deadlines apply to this RFO. SDG&E reserves the right to revise this schedule at any time and in SDG&E's sole discretion. Respondents are responsible for accessing the RFO Website and for updated schedules and amendments to the RFO or the solicitation process.

No.	Item	Date
1	RFO Issued	Wednesday, January 10
2	Pre-Bid Conference / Bidder Outreach Event	Friday, January 26
3	Deadline for Respondents to submit questions	Friday, February 02
4	Answers to all questions will be posted on the RFO Website	Tuesday, February 06
5	RFO CLOSED: Respondent must upload offers to PowerAdvocate® no later than <b>12:00 PM PPT</b>	Friday, February 09
6	SHORTLIST NOTIFICATION: SDG&E notifies Respondents whether their offers are shortlisted, contingently shortlisted, or rejected.	Tuesday, March 20
7	Respondents must indicate whether they accept or reject their shortlist position	Tuesday, March 27
8	Shortlisted Offers must post the shortlist acceptance fee	Monday, April 02
9	Execute contracts	Monday, June 25
10	SDG&E Submits Tier 2 Advice Letter with Agreements to CPUC for approval	Friday, June 29

### B. PRE-BID CONFERENCE / BIDDER OUTREACH EVENT

SDG&E will host one Bidder outreach event. The event will be an in-person event for all resource types (with dial-in / webinar available for those who cannot attend in-person). Participation in this event is NOT mandatory to submit an offer.

Please monitor the RFO Website for further details (such as posting of conference presentation materials and final arrangements for the event). SDG&E will make efforts to notify Respondents of outreach event details via e-mail as well as provide this information via the RFO Website.

Any party interested in attending these events should email the following information to [IDERIncentivePilotRFO@semprautilities.com](mailto:IDERIncentivePilotRFO@semprautilities.com)

- Company name, and
- Attendees' names, titles and contact information

At the end of the bidder's conference, SDG&E will devote time to work and consult with stakeholders to further define communication system and monitoring requirements.

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## 6.0 RFO WEBSITE AND COMMUNICATIONS

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### A. RFO WEBSITE AND POWERADVOCATE®

The RFO Website contains all the solicitation materials for download and review (<http://www.sdge.com/2018IDERIncentivePilotRFO>). Respondents are responsible for monitoring the RFO Website for subsequent updates, notices and postings.

SDG&E will be utilizing a platform designed and maintained by PowerAdvocate® for managing offers received in response to this RFO. To access the RFO event, Respondent must register as a “supplier” to create a username and password for PowerAdvocate®. A link and instructions on how to register are provided below.

Respondents who intend to bid but do not yet have an existing account with PowerAdvocate® must first register to create a username/password to receive access to the event. See below for instructions to log-in/register:

#### Logging In

You access the PowerAdvocate platform via a web browser.

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##### *To log in*

1. Open a web browser and go to [www.poweradvocate.com](http://www.poweradvocate.com).

PowerAdvocate functions in most web browsers; however, using browsers other than Internet Explorer (IE) version 6 or higher may cause certain functionality to work unexpectedly. Should you encounter problems, PowerAdvocate support may be unable to provide assistance until the issue has been replicated in a supported version of Internet Explorer.

2. Click **Login**.

The Login page appears; you may wish to bookmark it for quick access.

3. Enter your account **User Name** and **Password**.

Both are case-sensitive.

If you do not have an account, go to [poweradvocate.com](http://poweradvocate.com) and click the **Registration** link at the top of the page. If you have an account but do not remember your user information, click **Forgot User Name** or **Forgot Password** and they will be emailed to you.

4. Click **Login**.

First-time users must register as a “Supplier” using the instructions above and the Referral information below to access the RFO event:

### Referral Information

Are you registering for a specific Event: \*  Yes  
 No, I would simply like to register.

Who referred you to this Event: \*

Name of that individual's company: \*

Name or description of the Event: \*

\* Required Field

Users with an existing PowerAdvocate® account may request access to the event using the link below:  
<https://www.poweradvocate.com/pR.do?okey=70556&pubEvent=true>

All questions and communications regarding this RFO must be submitted via email to [IDERIncentivePilotRFO@semprautilities.com](mailto:IDERIncentivePilotRFO@semprautilities.com) and **must** CC the IE. SDG&E will not accept questions or comments in any other form, except at the scheduled bidders' conference. (note that those questions and answers will also be posted to the RFO Website following the event). Questions received after the question deadline may not receive a response.

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## 7.0 RFO RESPONSE INSTRUCTIONS

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Respondents are required to submit the forms listed below via PowerAdvocate ® by the date and time listed in Section 5. Forms are available on the RFO Website. Failure to provide the listed information may result in the proposal being deemed non-conforming and may disqualify the proposal from further consideration.

Offers must include distribution capacity described in Section 3.0 (Eligibility and Other Requirements) for circuits 303 and 783 beginning no later than February 1, 2020.

Offers may include multiple resource types for each circuit, however minimum distribution capacity and locational requirements must be achieved in aggregate for the resources included.

Projects must be integrated. SDG&E will contract with one counterparty, one performance guarantee, one set of defaults, etc for each circuit. For example, SDG&E will not sign one contract with company X for a solar facilities and totally separate/unlinked contract with company Y for an energy storage facility both on one circuit (SDG&E does not consider such a situation as an ‘integrated project’ for these purposes).

Respondents must fill out separate offer forms for each offer.

### **Required Forms:**

- 1) **Offer Form** – Respondents may provide offers for one or both circuits described herein. Respondents should structure their offer and pricing such that SDG&E may choose to contract for deliveries on one or both circuits. If a Respondent is providing an offer for multiple product types (e.g. renewables and energy storage), the offer form should be completed with sufficient comments provided in the narrative spaces provided to allow SDG&E to understand the nature of the offer.
- 2) **Credit Application (optional)** – The Respondent should complete, execute and submit the RFO credit application as part of its offer. The application requests financial and other relevant information needed to demonstrate creditworthiness. If audited financial statements are not available then unsecured credit will not be granted and collateral will be required as described in Section 12.
- 3) **Redline of Term Sheet (optional)** – Respondents may redline the Term Sheet.
- 4) **Electric Interconnection Information<sup>16</sup> (as applicable)** – For offers that require an electrical interconnection, Respondents may provide an electronic copy of the proposed project’s completed CAISO/WDAT or Rule 21 Interconnection Study.
- 5) **Resource Report (as applicable)** – Respondents that are providing renewable resources for valuation must submit a verifiable fuel resource plan (“solar resource”

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<sup>16</sup> Note that interconnection documents should be in the name of the entity that will sign the PPA. If not, Respondent must assign such documents to the entity that will sign the PPA by the time that Respondent accepts its position on the shortlist.

or “wind resource” etc.) for the duration of the contract based on historical actuals taken at the site with equipment maintenance and cleaning records, correlated to long term satellite data, with probabilities of different weather and productions scenarios for the site, range of equipment outputs, range of plant downtime and curtailments. For wind bids, you must submit the full AWS/GLGH or similar wind resource report.

- 6) **Solar Production Report (as applicable)** - For Solar resources, the full PVSyst file must be submitted by exporting the entire project that contains the prj, met, inv, pan, etc. files and submitting that file through PowerAdvocate. The contract DC must match the PVSyst file and the output of the file must match the 8760 in the Offer Form. All future discussions about plant production will refer to this prj file, where this future prj file will govern. No changes to plant design that changes the PVSyst model will be allowed unless written approval is given by SDG&E. The model should include all losses to the delivery point.
- 7) **Measurement & Verification (M&V) plan (as applicable)** – DR, EE, and BTM generation offers must provide a proposed M&V plan including a description of the calculation methodology.
- 8) **Workpaper(s) Associated with the Energy Savings per EE unit (as applicable)** – for EE valuation, Respondents must provide workpaper(s) showing the energy savings associated with each proposed measure including MWh reduction per EE unit and the unit’s load profile. The workpapers must include details of the energy savings calculations. There is not a ‘standard’ workpaper, and Respondents may provide any excel file(s) necessary to allow SDG&E to understand the calculations included in the offer and may reference the DEER database of EE resources.

The Offer Form must be in Excel format (not in PDF) and must not be modified, except where directed. The Credit Application and redlines to the Term Sheet must be in Word format (not in PDF). Submissions containing bid documents in file formats other than the formats of the original bid forms may be rejected. This RFO is an electronic only solicitation; Respondents need not submit paper documents or e-binders.

Any party interested in submitting an offer must register on PowerAdvocate® in order to submit an offer. To register, Respondents must follow the instructions outlined in Section 6. All offers must be uploaded to the PowerAdvocate® per the schedule in Section 5. All offer materials submitted in accordance with these instructions will be subject to the confidentiality provisions of Section 9.

SDG&E will review and may utilize all information, if any, submitted by a Respondent that is not specifically requested as a part of any forms. During all stages of the RFO process, SDG&E reserves the right to request additional information from individual Respondents or to request any Respondent to submit supplemental materials in fulfillment of the content requirements of this RFO or to meet additional information needs. SDG&E also reserves the unilateral right to waive any technical or format requirements contained in the RFO.

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## 8.0 REJECTION OF OFFERS

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SDG&E SHALL TREAT ALL RESPONDENTS FAIRLY AND EQUALLY AND SHALL EVALUATE ALL OFFERS IN GOOD FAITH. ALTHOUGH SDG&E IS VIGOROUSLY PURSUING THE GOALS OF THE INTEGRATED DISTRIBUTED ENERGY RESOURCES AND DISTRIBUTION RESOURCES PLAN PROCEEDING, IT MAKES NO GUARANTEE THAT A CONTRACT AWARD SHALL RESULT FROM THIS RFO EVEN AFTER AN OFFER HAS BEEN SHORTLISTED. IN ADDITION, SDG&E NOTES THAT SHORTLISTING AN OFFER DOES NOT CONSTITUTE SDG&E ACCEPTANCE OF ALL REDLINED CHANGES TO THE TERM SHEET. SDG&E RESERVES THE RIGHT AT ANY TIME, AT ITS SOLE DISCRETION, TO ABANDON THIS RFO PROCESS, TO CHANGE THE BASIS FOR EVALUATION OF OFFERS, TO TERMINATE FURTHER PARTICIPATION IN THIS PROCESS BY ANY PARTY, TO ACCEPT ANY OFFER OR TO ENTER INTO ANY DEFINITIVE AGREEMENT, TO EVALUATE THE QUALIFICATIONS OF ANY RESPONDENT OR THE TERMS AND CONDITIONS OF ANY OFFER, OR TO REJECT ANY OR ALL OFFERS, ALL WITHOUT NOTICE AND WITHOUT ASSIGNING ANY REASONS AND WITHOUT LIABILITY OF SEMpra ENERGY, SDG&E, OR ANY OF THEIR SUBSIDIARIES, AFFILIATES, OR REPRESENTATIVES TO ANY RESPONDENT. SDG&E SHALL HAVE NO OBLIGATION TO CONSIDER ANY OFFER.

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## 9.0 CONFIDENTIALITY

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EXCEPT WITH THE PRIOR WRITTEN CONSENT OF SDG&E, RESPONDENTS MAY NOT DISCLOSE (OTHER THAN BY ATTENDANCE ALONE AT ANY MEETING TO WHICH MORE THAN ONE RESPONDENT IS INVITED BY SDG&E) TO ANY OTHER RESPONDENT OR POTENTIAL RESPONDENT THEIR PARTICIPATION IN THIS RFO, AND RESPONDENTS MAY NOT DISCLOSE, COLLABORATE ON, OR DISCUSS WITH ANY OTHER RESPONDENT, OFFER STRATEGIES OR THE SUBSTANCE OF OFFERS, INCLUDING WITHOUT LIMITATION THE PRICE OR ANY OTHER TERMS OR CONDITIONS OF ANY INDICATIVE OR FINAL OFFER.

SDG&E WILL USE THE HIGHER OF THE SAME STANDARD OF CARE IT USES WITH RESPECT TO ITS OWN PROPRIETARY OR CONFIDENTIAL INFORMATION OR A REASONABLE STANDARD OF CARE TO PREVENT DISCLOSURE OR UNAUTHORIZED USE OF RESPONDENT'S CONFIDENTIAL AND PROPRIETARY INFORMATION THAT IS LABELED AS "PROPRIETARY AND CONFIDENTIAL" ON THE OFFER PAGE ON WHICH THE PROPRIETARY INFORMATION APPEARS ("CONFIDENTIAL INFORMATION"). RESPONDENT SHALL SUMMARIZE ELEMENTS OF THE OFFER(S) IT DEEMS CONFIDENTIAL. THE SUMMARY MUST CLEARLY IDENTIFY WHETHER OR NOT PRICE, PROJECT NAME, LOCATION, SIZE, TERM OF DELIVERY AND TECHNOLOGY TYPE (EITHER COLLECTIVELY OR INDIVIDUALLY) ARE TO BE CONSIDERED CONFIDENTIAL INFORMATION. CONFIDENTIAL INFORMATION MAY BE MADE AVAILABLE ON A "NEED TO KNOW" BASIS TO SDG&E'S DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, CONSULTANTS, THE INDEPENDENT EVALUATOR, AGENTS AND ADVISORS ("REPRESENTATIVES"), BUT SUCH REPRESENTATIVES SHALL BE REQUIRED TO OBSERVE THE SAME CARE WITH RESPECT TO DISCLOSURE AS SDG&E.

NOTWITHSTANDING THE FOREGOING, SDG&E MAY DISCLOSE ANY OF THE CONFIDENTIAL INFORMATION TO COMPLY WITH ANY LAW, RULE, OR REGULATION OR ANY ORDER, DECREE, SUBPOENA OR RULING OR OTHER SIMILAR PROCESS OF ANY COURT, SECURITIES EXCHANGE, CONTROL AREA OPERATOR, GOVERNMENTAL AGENCY OR GOVERNMENTAL OR REGULATORY AUTHORITY AT ANY TIME EVEN IN THE ABSENCE OF A PROTECTIVE ORDER, CONFIDENTIALITY AGREEMENT OR NON-DISCLOSURE AGREEMENT, AS THE CASE MAY BE, WITHOUT NOTIFICATION TO THE RESPONDENT AND WITHOUT LIABILITY OR ANY RESPONSIBILITY OF SDG&E TO THE RESPONDENT.

IT IS EXPRESSLY CONTEMPLATED THAT MATERIALS SUBMITTED BY A RESPONDENT IN CONNECTION WITH THIS RFO WILL BE PROVIDED TO THE CPUC, ITS STAFF, THE CEC, ITS STAFF, SDG&E'S INDEPENDENT EVALUATOR, SDG&E'S PROCUREMENT REVIEW GROUP ("PRG"), AND THE COST ALLOCATION METHODOLOGY ("CAM") PRG GROUP. ADDITIONALLY, SDG&E MAY PROVIDE LIMITED INFORMATION SUCH AS (BUT NOT LIMITED TO) ON-LINE DATE, INTERCONNECTION POINT, TECHNOLOGY AND OTHER OPERATIONAL CHARACTERISTICS TO THE CAISO FOR MODELING PURPOSES. SDG&E WILL SEEK

CONFIDENTIAL TREATMENT PURSUANT TO PUBLIC UTILITIES CODE SECTION 583 AND GENERAL ORDER 66-C OF THE CPUC, WITH RESPECT TO ANY RESPONDENT CONFIDENTIAL INFORMATION SUBMITTED BY SDG&E TO THE CPUC. SDG&E WILL ALSO SEEK CONFIDENTIALITY PROTECTION FROM THE CALIFORNIA ENERGY COMMISSION (“CEC”) FOR RESPONDENT’S CONFIDENTIAL INFORMATION AND WILL SEEK CONFIDENTIALITY AND/OR NON-DISCLOSURE AGREEMENTS WITH THE PRG. SDG&E CANNOT, HOWEVER, ENSURE THAT THE CPUC OR CEC WILL AFFORD CONFIDENTIAL TREATMENT TO A RESPONDENT’S CONFIDENTIAL INFORMATION OR THAT CONFIDENTIALITY AGREEMENTS OR ORDERS WILL BE OBTAINED FROM AND/OR HONORED BY THE PRG, CAM, CEC, OR CPUC.

SDG&E, ITS REPRESENTATIVES, SEMPRA ENERGY, AND ANY OF THEIR SUBSIDIARIES DISCLAIM ANY AND ALL LIABILITY TO A RESPONDENT FOR DAMAGES OF ANY KIND RESULTING FROM DISCLOSURE OF ANY OF RESPONDENT’S INFORMATION.

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## **10.0 ROLE OF THE PRG AND THE INDEPENDENT EVALUATOR**

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### **A. PROCUREMENT REVIEW GROUP (“PRG”)**

The Procurement Review Group (PRG) and Cost Allocation Mechanism (CAM) PRG are CPUC-endorsed entities and are composed of non-market participants such as ratepayers’ advocacy groups, state energy and water commissions, power authorities, utility-related labor unions, environmental advocacy groups and other non-commercial, energy-related special interest groups. Each IOU has its own PRG and CAM PRG. The PRG and CAM PRG are charged with overseeing the IOU’s procurement process, reviewing procedural fairness, examining overall procurement prudence and providing feedback during all stages. From RFO language development to offer evaluation to contract negotiation, IOU’s brief the PRG and/ or the CAM PRG on a periodic basis during the entire process.

Respondents are hereby notified that revealing confidential offer information to the PRG and/or CAM PRG is required during briefings in accordance with Section 9.0 (Confidentiality). Each Respondent must clearly identify, as part of its offer, what information it considers to be confidential.

### **B. INDEPENDENT EVALUATOR**

The CPUC requires each IOU to use an Independent Evaluator (“IE”) to separately evaluate and report on the IOU’s entire solicitation, evaluation, and selection process. The IE will review SDG&E’s implementation of the RFO process and final selections. The IE also makes periodic presentations regarding its findings to the IOU, and the IOU’s PRG and/or CAM PRG including the CPUC Energy Division staff. The intent of these IE presentations is to preserve the independence of the IE by ensuring free and unfettered communication between the IE and the CPUC, as well as an open, fair, and transparent process that the IE can affirm.

SDG&E is committed to ensuring an open and transparent solicitation, and to providing a fair, reasonable and competitive process.

The Independent Evaluator (“IE”) for this solicitation is PA Consulting (Barbara Sands - [Barbara.Sands@PAConsulting.com](mailto:Barbara.Sands@PAConsulting.com)).

## 11.0 SDG&E BACKGROUND

SDG&E provides electricity to 3.4 million customers through 1.4 million electric meters in San Diego County and an adjacent portion of southern Orange County and through 855,000 natural gas meters in San Diego County. SDG&E's electric customer base is comprised of approximately 89% residential and 11% commercial and industrial customers.

SDG&E's electric transmission network is comprised of 130 substations with 884 miles of 69-kV, 265 miles of 138-kV, 349 miles of 230-kV, and 215 miles of 500-kV transmission lines. Local ("on system") generating resources include, among other resources, the Encina plant (connected into SDG&E's grid at 138 kV and 230 kV), the Palomar Energy Center (connected at 230kV), the Otay Mesa Energy Center (connected at 230 kV) and a number of combustion turbine facilities located around the service area (connected at 69 kV). Imported resources are received via the Miguel Substation as the delivery point for power flow on the Southwest Power Link, which is SDG&E's 500-kV transmission line that runs from Arizona to San Diego along the U.S./Mexico border. The Sunrise Power Link is SDG&E's second 500kV transmission line that runs from the Imperial Valley substation and ends in San Diego's north county. Additionally, imported resources are received at the San Onofre Nuclear Generating Station 230-kV switchyard.

The figure below shows a simplified diagram of existing SDG&E's service area, which encompasses an area of 4,100 square-miles and spans 2 counties and 25 communities.



For a map California IOU service territories please visit:

[http://www.energy.ca.gov/maps/serviceareas/electric\\_service\\_areas.html](http://www.energy.ca.gov/maps/serviceareas/electric_service_areas.html)

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## 12.0 CREDIT TERMS AND CONDITIONS

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SDG&E has the unilateral right to evaluate and determine the credit-worthiness of the Respondent. The Respondent is required to complete, execute and submit the RFO credit application as part of its offer. The application requests financial and other relevant information needed to demonstrate creditworthiness. When three (3) years of audited financial statements are not included or a web address to such information is not provided, it will be interpreted as Respondent not applying for unsecured credit. In this case, security collateral will be collected by SDG&E in an amount to be determined. Respondents may download the application from the RFO Website. Respondents that are shortlisted will be required to comply with the credit and collateral requirements set forth in the Term Sheet. The amount of such requirements will be determined by SDG&E at the time of shortlisting and will be based on product, deliveries, price, and term, among other variables.

For clarity, Respondents should **not** include credit costs within their bid price. Respondents are required to provide information regarding the added cost of collateral per \$100,000 increment to satisfy the collateral requirement if SDG&E decides not to extend unsecured credit. These costs will be considered, as discussed in the quantitative evaluation section of this RFO.

SDG&E's rationale and methodology for calculating the credit requirements is as follows:

1. SDG&E will evaluate individual bids' causes and effects on different scenarios such as (but not limited to) wildfires, damage to the grid, damage to surrounding equipment, damages caused by outages, bankruptcy, construction schedule, construction related risks, bid cost vs. replacement services, expedited installment of a traditional solution, temporary additional solutions to maintain reliability, SDG&E's exposure to a given supplier, price, term, etc.
2. SDG&E will then use industry standard practices to create a risk-weighted security requirement.
3. SDG&E will then apply the individual bidder's credit rate to calculate an implied credit adder to the individual bid, which will then be added to the bid cost to get a total cost to SDG&E customers.

### I. SHORTLIST ACCEPTANCE FEE.

The Shortlist Acceptance Fee is \$50,000 and must be paid via wire transfer to SDG&E within ten (5) business days of notification by SDG&E that the offer has been shortlisted. The details of where to send the Shortlist Acceptance Fee will be described in writing when SDG&E notifies the Respondent that they have been shortlisted. The Shortlist Acceptance Fee will be refunded with interest to the Respondent if the Respondent and SDG&E fail to reach an agreement and such failure is not due to the Respondent's withdrawal of its offer or a material misrepresentation in the information provided by the Respondent.

## Appendix A

### High Level Map of Circuits 303 & 783



## Appendix B Distribution Capacity Deferral Period Requirements

### **Circuit 303:**

Note: Traditional distribution project would provide 10 MW and 99.976% availability.

### **Minimum<sup>17</sup> requirements**

- These requirements apply for each hour and each year from June 1 – October 31
- Quantities shown within the tables are in MW
- Hours shown are ‘hour beginning’

Hour	2020	2021	2022	2023	2024	2025	2026
1:00	0	0	0	0	0	0	0
2:00	0	0	0	0	0	0	0
3:00	0	0	0	0	0	0	0
4:00	0	0	0	0	0	0	0
5:00	0	0	0	0	0	0	0
6:00	0	0	0	0	0	0	0
7:00	0	0	0	0	0	0	0
8:00	0	0	0	0	0	0	0
9:00	0	0	0	0	0	0	0
10:00	0	0	0	0	0	0	0
11:00	0	0	0	0	0	0	0
12:00	0	0	0	0	0	0	0
13:00	0	0	0	0	0	0	0
14:00	0	0	0	0	0	0	0
15:00	0	0	0	0	0	0	0
16:00	0	0	0	0	0	0	0
17:00	0	0	0	0	0	0	0
18:00	0	0	0	0	0	0	0
19:00	0.91	0.97	1.02	1.12	1.21	1.31	1.41
20:00	0.79	0.85	0.91	1.00	1.10	1.20	1.30
21:00	0.24	0.30	0.36	0.46	0.56	0.67	0.77
22:00	0	0	0	0	0	0	0
23:00	0	0	0	0	0	0	0
0:00	0	0	0	0	0	0	0

<sup>17</sup> These are minimum requirements, and do not reflect full value equivalency to the traditional distribution project. As such, alternatives should consider providing commitments above these minimums.

**Circuit 783:**

Note: Traditional distribution project would provide 10 MW and 99.976% availability.

**Minimum<sup>18</sup> requirements**

- These requirements apply for each hour and each year from June 1 – October 31
- Quantities shown within the tables are in MW
- Hours shown are ‘hour beginning’

Hour	2020	2021	2022	2023	2024	2025	2026
1:00	0	0	0	0	0	0	0
2:00	0	0	0	0	0	0	0
3:00	0	0	0	0	0	0	0
4:00	0	0	0	0	0	0	0
5:00	0	0	0	0	0	0	0
6:00	0	0	0	0	0	0	0
7:00	0	0	0	0	0	0	0
8:00	0	0	0	0	0	0	0
9:00	0	0	0	0	0	0	0
10:00	0	0	0	0	0	0	0
11:00	0	0	0	0	0	0	0
12:00	0	0	0	0	0	0	0
13:00	0	0	0	0	0	0	0
14:00	0	0	0	0	0	0	0
15:00	0	0	0	0	0	0	0.02
16:00	0	0	0	0	0	0.16	0.51
17:00	0	0	0	0.03	0.34	0.66	0.96
18:00	0	0.09	0.38	0.67	0.97	1.26	1.54
19:00	0.91	1.21	1.50	1.81	2.11	2.42	2.71
20:00	0.85	1.15	1.45	1.76	2.07	2.37	2.67
21:00	0	0.22	0.53	0.86	1.17	1.50	1.80
22:00	0	0	0	0	0	0.10	0.41
23:00	0	0	0	0	0	0	0

<sup>18</sup> These are minimum requirements, and do not reflect full value equivalency to the traditional distribution project. As such, alternatives should consider providing commitments above these minimums.

## Appendix C

### California RPS Program Information

California's Renewable Portfolio Standard (RPS) Program was adopted in 2002 and is codified at Public Utility Code sec 399.11, *et seq.*<sup>19</sup> In adopting the RPS legislation, the Legislature specifically found and declared that increasing California's reliance on renewable energy resources promotes the purpose of and may accomplish each of the following:

- Increase the diversity, reliability, public health and environmental benefits of the energy mix
- Promote stable electricity prices
- Protect public health and improve environmental quality
- Stimulate sustainable economic development and create new employment opportunities
- Reduce reliance on imported fuels
- Ameliorate air quality problems
- Improve public health by reducing the burning of fossil fuels

Current law requires Investor Owned Utilities (IOU's) to procure renewable energy in the amount of 50% of retail sales by 2030<sup>20</sup>. Unlike the prior annual RPS program, the 50% regime sets increasing targets for multi-year Compliance Periods ("CPs"). The targets are set at 20% by the end of CP1 (2011-2013), 25% at the end of CP2 (2014-2016), 33% by the end of CP3 (2017-2020) [and so forth]. The CPUC issued its first decision implementing the RPS Program, D.03-06-071 on June 19, 2003. This decision established certain basic RPS Program parameters. The CPUC has subsequently issued several additional RPS-related decisions in rulemaking proceeding R.04-04-026, and successor proceedings R.06-02-012, R.06-05-027, R.08-08-009 and R.11-05-005. SDG&E will comply with all CPUC decisions governing RPS procurement. These decisions are publicly available on the CPUC's website at [http://www.cpuc.ca.gov/RPS\\_Homepage/](http://www.cpuc.ca.gov/RPS_Homepage/).

This RFO is being conducted in compliance with relevant statutory and regulatory directives. Requirements set forth within the law and all directives are incorporated herein by reference. A full text of the law and the above-mentioned CPUC decisions can be downloaded from the CPUC website. Respondents are encouraged to review all RPS-related, CPUC issued directives available on the same Internet websites and are responsible for understanding and abiding by all RPS provisions.

#### RPS ELIGIBILITY CRITERIA

Respondents successfully signing agreements with SDG&E for RPS eligible resources must warrant that the resources being offered in response to this solicitation are certifiable as an "eligible renewable resource" by the California Energy Commission (CEC). Eligibility criteria are set forth by the CEC in its Renewable Portfolio Standard Eligibility Guidebook. The most recent revision to the CEC guidebook (the ninth edition) was adopted in January, 2017. It can be downloaded from the CEC's website at [http://docketpublic.energy.ca.gov/PublicDocuments/16-RPS-01/TN215573\\_20170125T160830\\_Renewables\\_Portfolio\\_Standard\\_Eligibility\\_Guidebook\\_Ninth\\_Edition.pdf](http://docketpublic.energy.ca.gov/PublicDocuments/16-RPS-01/TN215573_20170125T160830_Renewables_Portfolio_Standard_Eligibility_Guidebook_Ninth_Edition.pdf). All requirements set forth within the CEC's guidebooks and all RPS-related documents shall be incorporated herein by reference.

<sup>19</sup> See, Senate Bill (SB) 350.

<sup>20</sup> See, Senate Bill (SB) 2 (1x) (Simitian), stats. 2011, ch. 1

Respondents are encouraged, although not required, to apply for pre-certification from the CEC in advance of submitting an offer. Pre-certification forms are available from the above-entitled guidebook.

## Appendix D

### California Energy Efficiency Program

The California Public Utilities Commission and state energy policy, as expressed in the Energy Action Plan (EAP) and reaffirmed in Decision (D.) 04-12-048, is to make energy efficiency and demand response the IOUs' highest priority procurement resource. The 2005 EAP II continues strong support for the loading order and identifies energy efficiency and demand response as the State's preferred means of meeting growing energy needs. After cost-effective energy efficiency and demand response, we rely on renewable sources of power and distributed generation, such as combined heat and power applications. This is also consistent with California Public Utility code, § 454.5(b)(9)(C) 2 which requires IOUs to first meet their "unmet resource needs through all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible." To promote the resource procurement policies articulated in the Energy Action Plan and by the Commission, energy efficiency activities funded by ratepayers should offer programs that serve as alternatives to costlier supply-side resource options.

D.07-10-032 established a broader framework for statewide coordination on energy efficiency program design, to overcome market barriers to more widespread adoption of energy efficiency and to capture longer-term savings. The decision directed the IOUs to work with Commission staff and market participants to prepare the California Long-Term Energy Efficiency Strategic Plan (Strategic Plan). Adopted in D.08-09-040, the Strategic Plan set forth a roadmap for energy efficiency in California through 2020 and beyond, by articulating a long-term vision and goals for each economic sector and identifying specific near-term, mid-term and long-term strategies to achieve the goals. D.08-09-040 and the subsequent October 30, 2008 Ruling in A.08-07-021 directed the IOUs to align their EE programs with Strategic Plan goals by clearly identifying utility actions for near-term strategies and action steps, where a utility role is important, and to provide programs that reflect the Strategic Plan short-term steps and milestones<sup>21</sup>.

In Rulemaking (R.) 13-11-005, the PUC contemplated moving away from a triennial review towards a "rolling" review of EE program portfolios. Consistent with that vision, D.14-10-046 provided ongoing funding for EE programs from 2015 onward. D.15-10-028 then directed the utilities to adopt a Business Plan approach for developing EE programs and strategies for six market sectors: Residential, Commercial, Industrial, Agricultural, Public and Cross-Cutting (Workforce Education & Training, Codes & Standards and Emerging Technologies). SDG&E submitted its 2018 onwards Business Plan application on January 2017 and it is available at <http://www.sdge.com/regulatory-filing/20456/sdge-energy-efficiency-rolling-portfolio-business-plan>.

Senate Bill 350--Clean Energy and Pollution Reduction Act of 2015 directed the California Energy Commission to establish annual targets for statewide energy efficiency savings and demand reduction that will achieve a cumulative doubling of statewide energy efficiency savings in electricity and natural gas end uses of retail customers by January 1, 2030. The bill would also require the PUC to establish efficiency targets for electrical and gas corporations consistent with this goal. To meet these targets, in addition to adopting the Business Plan approach, the Commission has implemented changes to statewide and third-party programs and their administration<sup>22</sup>. These changes would require that at least 60% of the utility's EE portfolio be bid out for third party program implementation by the end of 2020. Statewide programs, particularly upstream and midstream programs, are to be administered by one utility through one or several implementers across the state. The Commission will determine other programs that could be administered and implemented on a statewide basis.

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<sup>21</sup> Decision 08-09-040, OP 2

<sup>22</sup> D.16-08-019

**Appendix E - Summary of SDG&E's DR and EE Programs**

The following table is for illustrative purposes only and does not reflect a full list of programs, measures and technologies currently offered by SDG&E. It is meant to provide guidance to potential bidders about a majority of energy efficiency programs currently being sourced through SDG&E's 2017 EE/DR portfolio. SDG&E may utilize this, or a similar, list for the purposes of an initial screen to determine whether a bid offers a measure/technology that is likely to be sourced through an existing program, but such a screening is not dispositive of determining whether the measure/technology is incremental. SDG&E may utilize additional screens in determining project incrementality

DR Programs Summary Table:

Program Name	Sector Served	Incentive Structure (rebates, incentives)	Type of Technology
Capacity Bidding Program (CBP)	Non-Residential	Participants receive a monthly capacity payment and energy incentives during events in return for load reduction when requested.	May vary, an example may be an Energy Management System (EMS).
Base Interruption Program (BIP)	Non-Residential	Participants receive a monthly capacity payment.	May vary, an example may be an Energy Management System (EMS).
Summer Saver Program (SSP)	Residential and Small Commercial	Participating customers receive an annual bill credit based on the AC tonnage on the Nameplate Capacity of the End-Use Equipment and customer elected cycling option.	Enabling Devices at the A/C unit.

EE Programs Summary Table:

Program Name	Sector Served	Measure Type	Measures Offered
SW-CALS-Plug Load and Appliances-HEER	Residential	Downstream Prescriptive Rebate	Clothes Washer; Heat Pump Water Heater; Pool Pump Motor - variable speed; Natural Gas Water Heater; Water Saving Kit
SW-CALS-Plug Load and Appliances-POS Rebates	Residential	Downstream Prescriptive Rebate	Clothes Washer; Natural Gas Water Heater
		Upstream Prescriptive Rebate	Heat Pump Water Heater
SW-CALS-MFEER	Residential	Direct Install	A/C Refrigerant Charge; Efficient Fan Control (EFC) w/AC; Exterior LED Landscape Fixtures; LED Recessed Downlight Outdoor; Duct Sealing; Low Flow Hand Held Shower Head; Thermostatic Valve; Tier 2 Advanced Power Strip
		Downstream Prescriptive Rebate	LED Screw-in A-Lamp; LED Screw-in PAR30; Water Heater-Boiler Controllers; Water Heating-Faucet Aerators
SW-CALS - EUC WHRP - Advanced	Residential	Custom Incentive	Advanced Home Upgrade; Bonuses; Home Upgrade
Local-CALS - Middle Income Direct Install (MIDI)	Residential	Direct Install	A/C Refrigerant Charge; Efficient Fan Control (EFC) w/AC; LED Interior Hardwired Fixture; LED Night Light; Porch Light; Torchiere Lamp; Duct Sealing; Air Sealing; Faucet Aerators; Low Flow Shower Heads; Thermostatic Valve
SW-CALS - Residential HVAC-QI/QM	Residential	Direct Install	A/C Refrigerant Charge; Airflow Correction; New Blower Motor; Condensor Coil Cleaning
		Downstream Prescriptive Rebate	HVAC Service Agreement; A/C Unit
		Upstream Prescriptive Rebate	Efficient Fan Controller

EE Programs Summary Table, continued

Program Name	Sector Served	Measure Type	Measures Offered
SW-CALS - CAHP/ESMH-CA Advanced Homes	Residential	Custom Incentive	Combination of EE Measures
SW-COM-Strategic Energy Management	Commercial	Custom Incentive	NMEC Whole Building including BROs
SW-COM-Calculated Incentives-Calculated	Commercial	Custom Incentive	Boilers, Controls and Other Gas; Compressed Air; HVAC Peripheral Equipment; HVAC Energy Mgmt. System; Centrifugal Chiller; HVAC Controls; Pool Pump and Equipment; Process - Various; Monitoring Based Retrocommissioning (MBCx)
SW-COM-Calculated Incentives-Savings by Design	Commercial	Custom Incentive	Boilers, controls and other Gas; Exterior Lighting; Whole Building
SW-COM-Deemed Incentives-Commercial Rebates	Commercial	Downstream Prescriptive Rebate	LED Fixtures; Reflective Window Film; Chilled Water Reset; Economizer; Combination Ovens; Commercial Fryers; Convection Ovens; Griddles; Hot Food Holding Cabinets; Steamer; Rack Ovens; Glass Door Display Cases; Space Heating Boilers; High Bay LEDs; Hot Water Reset; Ice Machines; LED Candelebras; LED MR16 Bulbs; LED Integral A-lamps ; LED Integral Candelabras; LED Integral PAR38s; LED Recessed Downlights; LED Screw-in A-Lamps; LED Screw-in Globes; LED Screw-in PAR20s; LED Screw-in PAR30s; LED Screw-in R30s; LED Screw-in R40s; LED Surface, Pendant, Track, Accent, and Recessed Downlights; T-8s; Exterior LED Fixtures; Interior CFL Fixture; Interior Linear Fluorescent Fixtures; Linear LED Systems; Case Door Lights; Low Flow Showerhead; VFD HVAC Fans; Network Power Management Software; Outdoor Pool Cover; Ozone Laundry System; Pkg AC; Anti-Sweat Heater Controls; New Refrigeration Case; Refrigerator; Steam Trap; Variable Air Volume Box; Ventilation Control; Lg Storage Water Heater; Boiler
SW-COM-Deemed Incentives-HVAC Commercial	Commercial	Direct Install	HVAC Controllers; A/C Unit
		Downstream Prescriptive Rebate	Coil Cleaning; HVAC Maintenance Agreement; Fan Maintenance; Packaged A/C Unit; Refrigerant Charge; Refrigerant Test
SW-COM Direct Install	Commercial	Direct Install	T8 lamp; T5 HO lamps; LED Candelebras; LED MR16s; LED OPEN Sign; LED Screw-in A-Lamps; LED Screw-in Globes; LED Screw-in PAR20s; LED Screw-in PAR30s; LED Screw-in PAR38s; LED Screw-in R30s; LED Screw-in R40s; T-8 Fixtures; Pre-Rinse Spray Head; A/C Refrigerant Charge; Decrease refrigerant charge level
		Downstream Prescriptive Rebate	LED Fixture; Water Source Heat Pump; Fryers; Convection Ovens; Griddles; Hot Food Holding Cabinets; Steamers; Gas Rack Ovens; Space Heating Boilers; High Bay LED; Clothes Washers; Ice Machines; LED Surface, Pendant, Track, Accent, and Recessed Downlights; Exterior CFL Fixture; Exterior Induction Fixture; Exterior LED Fixtures; Interior CFL Fixtures; Interior Induction Fixture; Interior Linear Fluorescent Fixtures; Linear LED Systems; Case Door Lighting; 25W T8s; Low Flow Shoerhead; Network Power Management Software; Pkg AC; Pkg Heat Pump; Anti-Sweat Heater Controls; Evaporator Fan Controller for Walk-In Coolers/Freezers; Vending Machine Controller; Ventilation Controls; Water Heaters; Boiler; Instantaneous Water Heater
SW-IND-Strategic Energy Management	Industrial	Custom Incentive	NMEC Whole Building including BROs
SW-IND-Calculated Incentives-Calculated	Industrial	Custom Incentive	Compressed Air; HVAC Energy Mgmt. System; Chiller Centrifugal; Process - Various

EE Programs Summary Table, continued

Program Name	Sector Served	Measure Type	Measures Offered
SW-IND-Deemed Incentives	Industrial	Downstream Prescriptive Rebate	LED Fixtures; Reflective Window Film; Commercial Gas Fryer; Commercial Gas Rack Oven; Space Heating Boilers; High Bay LEDs; LED MR16s; LED Recessed Downlights; LED Screw-in A-Lamps; LED Screw-in PAR30s; LED Screw-in PAR38s; LED Surface, Pendant, Track, Accent, and Recessed Downlights; Exterior LED Fixtures; Interior Compact Fluorescent Fixture; Interior Linear Fluorescent Fixture; Linear LEDs; Refrigerator; Variable Air Volume Box; Process Steam Boiler
SW-AG-Calculated Incentives-Calculated	Agricultural	Custom Incentive	Process - Various
SW-AG-Deemed Incentives	Agricultural	Downstream Prescriptive Rebate	LED Fixtures; Low Pressure Sprinkler Nozzles; Greenhouse Heat Curtain; LED Integral A-lamp; Exterior LED Fixtures
SW-Lighting-Primary Lighting	Cross-Cutting	Upstream Prescriptive Rebate	Bare Spiral CFL; LED Screw-in R30; LED Recessed Downlights; LED Screw-in A-Lamps; LED Screw-in PAR20; LED Screw-in PAR30; LED Screw-in PAR38s; LED Screw-in R30s; LED Screw-in R40s; Reflectors; Screw-In CFL
Local-IDSM-ME&O-Behavioral Programs (EE)	Residential	Custom Incentive	Behavioral
SW-FIN-New Finance Offerings	Commercial	Custom Incentive	Financing
3P-Res-Comprehensive Manufactured-Mobile Home	Residential	Direct Install	AC Diagnostic, Repair and Tune-ups; Duct Test and Seals; Efficient Fan Control (EFC) w/AC; Faucet Aerator; LED Screw-in A-Lamps; Low Flow Showerheads; New Blower Motor; Tier 2 Advanced Power Strip
RES Upstream HVAC Incentive Program	Residential	Upstream Prescriptive Rebate	A/C Package Unit; A/C Split System; Furnaces
HOPPs - Building Retro-Commissioning	Commercial	Custom Incentive	RetroCommissioning
HOPPs - Multi Family	Residential	Direct Install	Typical Property