Firm Clean Resources RFO

Q&A from Webinar #1 – October 27, 2021

Question 1: Will you be distributing the presentation as well?

Answer 1: The presentation will be posted on the website.

Question 2: Is there a risk that the RFO will be cancelled or withdrawn?

Answer 2: CCPower does not intend to cancel or withdraw this RFO. CCPower is unaware of factors supporting such but cannot anticipate all pertinent factors.

Question 3: Can you go back to the product slide and describe the details?

Answer 3: Slides 4-6 provide details regarding the products sought as does the RFO document.

Question 4: Apologies for the simplistic question, but do anticipate that any renewables can meet the 80% capacity factor requirement? Do you envision that solar + storage (qualifying for RA, etc) will qualify?

Answer 4: If the technology can comply with the CPUC requirements, it will qualify under this RFO. CCPower anticipates geothermal and biomass will qualify and is aware that wind and solar, even if paired with storage, are unlikely to do so.

Question 5: Is there a reason why NP15 was required?

Answer 5: Yes. The CCAs taking part in this solicitation are in Northern California.

Question 6: Since not all members of California Community Power have a credit rating and California Community Power is a newly formed group, how do you anticipate banks feeling comfortable and financing deals with the sellers? And will sellers have the option to select that a PPA be assigned to a CCA member with a credit rating?

Answer 6: The CCPower members are strong financially. Most have investment grade credit ratings; 2 are part of financially strong Cities; and the remaining CCAs have large reserves. Moreover, the credit and collateral approach set forth in Slide 11 provides a fair credit and collateral platform that is being used successfully in the context of the CCPower long-duration storage RFO. Contracting with CCPower with the backing of a number of CCAs offers developers diversity and a reduction of risk.

Question 7: Will projects be evaluated only against the risks they self-identify or will all projects also be evaluated against risks that should apply the project (that apply to all projects of that type) but were not addressed in the application?

Answer 7: No. The CCAs will review project risks based on information you provide and information they possess. The CCAs attempted to identify key risks in the RFO document but will not limit their consideration to those risks. Offerors are encouraged to discuss key risks they are aware of in their responses so that the CCAs can consider your information and perspectives on the risks. If you do not provide information CCAs will review the risks they are aware of based on the information available to them.

Question 8: What happens if more than 2 CCAs drop out from the process?

Answer 8: If the credit and collateral approach described in the slides and the RFO is used and relevant agreements are executed, participating CCAs will commit to additional capacity up to a cap of 25% above the amount of their initial allocation, in the event other CCAs drop out. If there is insufficient capacity within this requirement to pick up the full amount, the participation agreement among the participating CCAs and CCPower provides for steps to offer the capacity to other CCPower CCAs, or other CCAs that are willing to join CCPower. If willing buyers cannot be found, the remaining CCAs, CCPower and the Seller will have to seek and put into place a mutually acceptable solution or terminate the agreement. Suppliers always run the risk that their counterparty may fail but in the case of CCPower there are additional counterparties to try to fashion a better solution. If CCAs drop out of the process prior to executing an agreement, and there is insufficient interest on the part of other CCAs to pick up the capacity, CCPower will seek to adjust the amount of capacity procured to the amount of capacity desired by participating CCAs.

Question 9: Would you consider a reserve account to protect Seller against CC Power credit?

Answer 9: CCPower has put forward a fair credit and collateral approach that has been successful in the case of long-duration storage negotiations. Changes to this approach would have to be discussed in the context of negotiations and would only result from a package that meets the collective needs of CCPower, the participating CCAs and the Offeror. The RFO and the presentation set forth an approach that is currently acceptable to CCPower and the participating CCAs.

Question 10: Our company is a San José based company and would like to know if this RFO provide an adder similar to City of San José RFO process.

Answer 10: The City of San José intends to issue an RFO for additional long-term renewable and storage supplies in the first half of 2022. The City of San José currently expects to meet its needs for Firm Clean Resources through the CCPower RFO Process.