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Ava Community Energy / San José Clean Energy

2024 Long-Term Resource Request for Offers

**Attachment D: Offer Supplement Requirements**

Each Respondent must submit just one Offer Supplement file, providing a brief narrative of the developer qualifications and proposed project(s). The Offer Supplement must contain responses to all the information requested below, organized under the appropriate section headers and maintaining the listed numerical section order.

The Offer Supplement must be submitted as a PDF file via the Respondent’s Dropbox folder. The file name should be saved as “Ava-SJCE Offer Supplement\_*RespondentCompanyName*”.

Respondents are encourage to review and consider the following:

In January 2024 Ava’s Board of Directors approved the Workforce and Environmental Justice Selection Criteria and this is reflected in Ava’s selection criteria and are translated into executed offtake agreements. For additional information, please visit <https://cdn.sanity.io/files/pc49kbjr/production/068e0ea9d0a70aff1c184a8f36c1644786a42f7b.pdf>

Further, in October 2023, San José City Council directed SJCE staff to develop Workforce and Environmental Justice Selection Criteria for its long-term procurement and SJCE intends to present a proposal to Council before the end of 2024. In scoring projects, SJCE will consider the goals expressed by Council when it directed SJCE to develop criteria in evaluating projects and will comply with Council direction if and when the criteria are approved.

**Developer Background**

*Complete only once per Respondent and include as the opening section of the PDF packet*. *Do your best to keep Developer Background to 4 pages.*

1. **Corporate Structure**
2. Briefly describe the history of the company’s operation, as well as the size and footprint of the company, including reference to the number of personnel based in California and in the Ava/SJCE service territories.
3. Briefly describe the company’s corporate financing structure, noting access to capital and latest bond rating (if applicable). Additionally, include the same information for any Project Owner other than the Respondent company, referencing the project(s) in which they have an ownership stake.
4. Provide any additional relevant information regarding the Respondent’s company and/or company structure that is influential to the Respondent’s ability to execute their Offer(s).
5. **Development Experience**
6. List all **operational projects**, including details on: (a) location, (b) size, (c) technology, (d) COD date, (e) offtaker, (f) any other pertinent details. Please denote which projects, if any, are executed with CCAs.
7. List all projects that have **executed PPAs** and are **pre-COD**, including details on: (a) location, (b) size, (c) technology, (d) anticipated COD, (e) current project status, (f) offtaker, if public. Please denote which projects, if any, are executed with CCAs.
8. **Project Financing and Ownership**
9. Describe your financing strategy related to development, construction, and long-term ownership. Please state your assumptions relative to the project financing structure, the type of anticipated/committed financing, and all involved parties.
10. Describe how development costs have been financed to date.
11. Describe the long-term ownership plan for the asset (e.g. holding or selling; if selling will it be to a captive party such as a yieldco or an open competitive process)?
12. Provide historical track record on completed financings and partnerships.

**Project Details**

*Prepare responses to all items in this section* ***once per site****. Should the Respondent be submitting projects at more than one site, prepare responses to the below questions for each site then duplicate the process for the next site. Do your best to keep Project Details to 7 pages per site.*

1. **Project Summary**
2. Brief summary of project including location, size, technology description, and any relevant high-level details.
3. Explicitly list all Offers being made from this facility, organized by product, referencing each Offer using the naming convention: *SiteName\_ProductNumber-OfferNumber.*

***Note:*** *The product number should correspond with the one of the products listed in the protocol and the Offer Number should correspond with the numbering on the relevant Offer Form tabs.*

1. Describe the tax equity financing strategy, including what PTC or ITC level is assumed for individual project offers and steps taken to de-risk through safe harboring, construction start, etc. Please specify any price difference between ITC vs. PTC tax equity pathways.
2. Would Ava/SJCE be the sole offtaker of products from the site proposed? If there are other known or potential offtakers, please detail their contracting status to give Ava/SJCE a better sense of the execution plan and risks.
3. For this project site, is the Respondent open to the possibility of Ava/SJCE jointly procuring and negotiating should that become of interest?
4. **Site Control**
5. Describe site control for the project, clearly stating the current status, key risks, and whether or not Respondent has site control for the full duration of the term offered.
6. If partial site control remains, share expected plan to obtain control (i.e. option to purchase land, option to lease, etc.) and timing for completion. Include details on if site control is secured for any gen-tie routes, and if not, the timing and approach to securing it.
7. If the site is leased, describe the remaining term of the lease and any major conditions related to the lease.
8. If Respondent does not have site control, describe plan to obtain such control (i.e. option to purchase land/option to lease etc.).
9. If site control is not applicable for the product(s) being offered, please state so with a brief explanation.
10. **Interconnection**

Notes:

* If a project receives updated evidence (reports, agreements, etc.) during the RFO evaluation process, Respondent must update Ava/SJCE and provide the new documents.
* For all evidence provided, include the names of the documents included with your offer and uploaded to the Respondent’s Dropbox folder.

1. Tranche 1 offers: Describe the status of the project’s interconnection, briefly detailing:
   1. Location, expected configuration, and key risks.
   2. Results of the latest Phase I/Phase II Study or Facilities Study.
   3. Results of any additional studies (if applicable).
   4. Estimated interconnection facility and upgrade costs.
   5. Expected period, in any, of interim deliverability and description of why Respondent believes project will be awarded Interim deliverability.
   6. Confirmation that the project has made a valid interconnection request including sufficient Full Capacity Deliverability Status (FCDS) commensurate with the offer.
   7. Evidence of allocated or retained Transmission Planning Deliverability (TP Deliverability or TPD) per the CAISO deliverability allocation process.
      * For projects without an award of TP Deliverability sufficient to support offered RA capacity, provide documentation that the project is eligible to receive an award in the future, evidence of available TP Deliverability and the project’s location, and expect year of award. Include the name(s) of the interconnection agreement file included with your offer and uploaded to the Respondent’s Dropbox folder.
   8. For projects with an award of TP Deliverability sufficient to support offered RA capacity, provide documentation of award from CAISO and evidence of retention of award for projects that have held a TP award for more than 1 year. If unsigned, expected date for execution of interconnection agreement. Please detail all pending or approved requests to CAISO or Participating Transmission Owner to modify the project’s generating facility or milestone dates to the extent not reflected in the GIA.
   9. Additional for outside CAISO projects:
      * A valid interconnection request including request for sufficient capacity commensurate with Offer where system impact study report (or equivalent) has been issued. Provide the most recent interconnection system study report and (if available) facilities study report including appendices.
      * Evidence of secured transmission to CAISO BAA and a statement of the specific branch group/scheduling point where Buyer will need Maximum Import Capacity (MIC) to obtain RA from the project. Indicate if a MIC expansion request is anticipated to be required along with any other documentation that indicates sufficient MIC capacity is available.
      * Evidence to demonstrate capability to be pseudo tied or dynamically scheduled to the CAISO.
2. Tranche 2 offers: Describe the plan for interconnection under CAISO’s IPE process with details as described for Tranche 1 offers and the following:
   1. Confirmation that the project has made a valid interconnection request including request for sufficient FCDS commensurate with for Offer, and the project is in a CAISO TPD Zone.
      * Note: If a project has not been fully validated (deemed complete) or modifies its request during the Cluster Application Window, please provide updated interconnection request when available to Ava/SJCE.
   2. Respondent’s initial (non-binding) estimate for interconnection costs.
   3. An outline of the key aspects of the offer that will impact costs.
   4. Respondent’s estimated pricing change on a $/MWh basis for each $1 million of interconnection costs. e.g for every $1 million in interconnection costs post CAISO study, the offer will increase by $0.25/MWh.
   5. A description and supporting documentation that project will maintain FCDS through the interconnection process at its available at project’s requested point of interconnection (POI).
      * Specify TPD Zone and indicate available TPD at project’s requested POI as shown in CAISO’s latest Transmission Capability Estimate report. If project’s requested POI is not listed in CAISO’s report, identify a POI in the report that provides the best proxy for Project’s requested POI.
      * If project is in a merchant zone, provide documentation of estimated network upgrade costs required to attain the required level of FCDS.
3. **Permitting and Environmental Impact**
4. Indicate the type of project site from the following options: Industrial, Residential, Agricultural, Commercial, or Other. If other, please elaborate.
5. Define any more specific zoning designations relative to project county (if applicable).
6. Has the project completed a Phase 1 Environmental Site Assessment? If yes, please describe the results. If not, please provide the approach and timing for this activity.
7. Has your project obtained all necessary permits, including land use entitlement permit (e.g., Conditional Use Permit (CUP), Application for Certification (AFC), Right of Way permit and Record of Decision (ROD) from BLM) from lead land use permitting agency and all discretionary permits from other lead, trustee and/or responsible agencies including wildlife agencies? If yes, please describe the results. If the answer is "No", please list permits not yet obtained and provide a narrative explanation.
8. Is your project located in RETI Category 1 or 2 lands[[1]](#footnote-1)?
9. Is your project located in an area specifically designated as a preferred renewable energy development zone? If the answer is "Yes," specify the landscape planning process for renewable energy in which your project is located from the following list:
   * 1. Desert Renewable Energy Conservation Plan Development Focus Areas
     2. San Joaquin Valley Least Conflict Areas
     3. Inyo County Solar Energy Development Areas
     4. Imperial County Renewable Energy Zones
     5. Bureau of Land Management’s Solar Energy Zones (CA, NV, AZ, UT, CO, NM)
     6. If Other, please specify
10. Has the project completed the required screens for the following:
    1. Land classification and key features (hydrology, wetlands, floodplains).
    2. Species (birds and other wildlife, Threated or Endangered Species, biological resource assessments).
    3. Architectural, Archaeological, or Native American Sacred Sites.

If yes, please describe the results. If not, please provide the approach and timing for these activities if applicable. Describe efforts to avoid sensitive habitats or to mitigate impacts to sensitive impacts if they cannot be avoided. Describe any habitat conservation plans that may apply to the site.

1. Were any federal- or state-protected species identified during wildlife studies? If yes, please specify the species.
2. Has the Project discussed with any resource agency (USFWS, CDFW) about obtaining an incidental take permit? If permit was recommended, for what species?
3. Will this project have any wildlife-related curtailment such as Feathering Below Cut-In, Increased Cut-In with Time of Year/Temperature Thresholds, etc.
4. Please state whether the project may impact any federal, state, local or other conservation designations or planning effort, and if yes, what they are. For example:
   1. No impacts.
   2. Facility proposed or located in a conservation area.
   3. There is a high incidence of state or federal threatened or endangered species (e.g., area that indicates protected land use designation, nature conservation areas, important habitat or areas with a protective designation indicating high ecological values, and connected lands) where development will contribute to the loss of natural habitat.
   4. Facility proposed in an area under conservation easement, or an area identified for conservation in an NCCP, HCP or RCIS.
   5. Other, please describe.
5. Does the project provide “multi-benefit renewable energy” - renewable energy that provides additional societal, health, economic, water saving, or environmental benefits beyond the climate and GHG reduction benefits of renewable energy? Examples include:
   1. Project located on an Environment Protection Agency (EPA) RE-Powering America's Land site - capped landfills, mine sites, other contaminated land.
   2. Project located on salt-affected agricultural land.
   3. Project located on exposed Salton Sea Playa.
   4. Project or component of the project located in the built environment (i.e. rooftop or parking lot solar PV).
   5. If other, please discuss.
   6. Not applicable / not a multi-benefit project
6. If the project is on urban or previously disturbed sites, please describe.
7. **Project Acceptance**
8. Is there any ongoing/anticipated litigation, inquiry or investigation to the project, property, or material equipment? If so, please provide details.
9. Are there any known or anticipated issues in the relationship between the project and nearby communities? If so, please provide details.
10. Describe your community engagement plan or approach.
11. Describe the benefits the project provides the community in which it is located as well as in the Ava/SJCE service territories, including grid reliability and/or local criteria pollutant mitigation.
12. **Labor, Workforce Development, Community Investment** State which labor strategy the project will use;
    1. Multi-trade project labor agreement (PLA).
    2. No PLA, but will pay prevailing hourly wage and benefit rates as determined by the California Department of Industrial Relations.
    3. None of the above.
13. Describe the project’s labor strategy and commitments, including details on:
    1. PLAs that incorporate Local and Targeted Hire objectives as follows:

1. A goal of 30% of all project labor hours performed by Local Hires.

2. Participation in a Targeted Hire Program with a goal of 10% of all project hours performed by Equity Priority Workers.

3. Demonstrated commitment to subcontracting with Small, Local, and Emerging Businesses.

* 1. Where a PLA will not be used:
     1. Utilization of prevailing hourly wage and benefit rates as determined by the California Department of Industrial Relations.
     2. Utilization of apprentices at the same ratio of apprentice hours to journeyperson hours as required for public works projects. Generally, this is one apprentice hour per every 5 hours of journeywork per craft.
     3. Demonstrated commitment to Local and Targeted Hire, including utilization of a multi-craft core curriculum (MC3) pre-apprenticeship program, or equivalent industry and state recognized pre-apprenticeship certification, for outreach, preparation, support and referral of Targeted Hires.
     4. Demonstrated commitment to subcontracting with Small, Local, and Emerging Businesses.
  2. Percentage of contractors or sub-contractors based in project county.
  3. Percentage of contractors or sub-contractors based in Ava or SJCE service territories.
  4. Number of contractors or sub-contractors certified as small businesses (either state or federal certification).
  5. Commitments to workforce development opportunities (either directly through the project or through investment in workforce development opportunities elsewhere).

1. For projects located outside of the Ava/SJCE service territory, describe the Respondent company’s commitment to local community investment in terms of dollars or activities that will be directed towards Ava and SJCE territories.
2. **Operations & Maintenance**
3. Describe the project O&M strategy, key parties, contracting status, and committed/expected timing for execution.
4. Include assumptions relative to the scheduling coordinator role for the project configuration being offered.
5. Please describe any decommissioning plans and plans for disposal of key equipment at the end of the project's life.
6. **MTR Compliance**
   1. Does all or part of this resource qualify as an "incremental resource" as described in the Decision Requiring Procurement to Address Mid-Term Reliability (2023-2026) (D.21-06-035) or Mid-Term Reliability Supplemental (D.23-02-040)?

1. https://databasin.org/maps/e39cd215e9d24c7ca9329f054e56f703/active/ [↑](#footnote-ref-1)