



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

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**2020**

**REQUEST FOR PROPOSAL  
FOR THE SALE OF  
RENEWABLE ENERGY  
PRODUCTS**

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**ISSUED**  
MAY 29, 2020

**OFFERS DUE**  
JUNE 22, 2020

**RFP WEBSITE**  
<https://www.sdge.com/2020rpsrfp>

**EMAIL QUESTIONS/COMMENTS TO**  
[RECSaleRFP@sdge.com](mailto:RECSaleRFP@sdge.com)

**INDEPENDENT EVALUATOR**  
[keith.oliver@merrimackenergy.com](mailto:keith.oliver@merrimackenergy.com)

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## 1.0 SCOPE OF REQUEST

San Diego Gas & Electric Company (“SDG&E”) is issuing this Request for Proposals (“RFP”) seeking proposals from third parties (“Respondents” or “Participants”) who are interested in purchasing products from eligible renewable resources under contract with SDG&E (“Resources”). By responding, Respondents are bound by the terms and conditions of this RFP. Products are derived from Resources that meet the California Renewables Portfolio Standard (“RPS”) eligibility criteria set forth by the California Energy Commission (“CEC”) (See Section 5.0 for additional information on RPS Program Parameters). This RFP solicits bids from financial institutions, energy service providers, utilities, municipal utilities, industrial end users, wholesale power marketers, and any other entity that would have a need to purchase bundled energy and Renewable Energy Credits (“RECs”) or unbundled RECs.

**Table 1 – Acceptable Product Types**

	<b>Bundled Firm</b>	<b>Bundled Unit Contingent</b>	<b>Unbundled</b>
<b>Product Types:</b>	Bundled Energy and RECs from pool of RPS-eligible projects	Bundled Energy and RECs from specific project(s) only	Unbundled RECs
<b>Minimum Term:</b>	1 Month	1 Month	One-time transfer of firm quantities
<b>Maximum Term:</b>	1 Year (12 months)	10 Years (120 months)	Recurring transfers of unit contingent quantities during Term up to 10 years
<b>Delivery Window:</b>	Start no earlier than CPUC Approval (“X”), End no later than X+12 months <sup>1</sup>	Start no earlier than CPUC Approval (“X”), End no later than X+120 months <sup>2</sup>	Start no earlier than CPUC Approval
<b>Point of Delivery:</b>	Point of Interconnection of the Project to the CAISO Grid	Point of Interconnection of the Project to the CAISO Grid	n/a
<b>Min Volume:</b>	No Min	No Min	No Min

### A. Definition of Products

SDG&E is required to serve its customers with 33% of retail sales from renewable resources by December 31, 2020, with reasonable progress made in 2017-2019 (“Compliance Period” or “CP” 3).

<sup>1</sup> Respondent to propose dates for purchase (See “Delivery Period” in RFP WSPP Agreement).

<sup>2</sup> Respondent to propose dates for purchase (See “Delivery Period” in RFP WSPP Agreement).

Following CP3, the renewable procurement requirements are: (a) 44% of retail sales by December 31, 2024, with reasonable progress made in 2021-2023 (CP4); (b) 52% of retail sales by December 31, 2027, with reasonable progress made in 2025-2026 (CP5); (c) 60% of retail sales by December 31, 2030, with reasonable progress made in 2028-2029 (CP6); and (d) 60% of retail sales for all subsequent CPs. SDG&E must meet these goals by procuring renewable resources that meet the requirements of the products outlined in Public Utilities Code 399.16(b).

**Bundled Energy and REC Products (Public Utilities Code 399.16(b)(1)(A-B)):**

- Must have first point of interconnection (“POI”) with a California Balancing Authority (“CBA”); **or**
- Must have first POI with distribution facilities used to serve end users within a CBA; **or**
- Must be scheduled from the eligible renewable resource (“ERR”) into a CBA without substituting electricity from another source<sup>3</sup>; **or**
- Have an agreement to dynamically transfer electricity to a CBA.

**Unbundled RECs (Public Utilities Code 399.16(b)(3)):**

- ERR products, or any fraction of the electricity generated, **including unbundled RECs**, that do not qualify under 399.16(b)(1-2).

Product Quantities for any Term that exceeds one year shall be unit contingent only from a specific Project or Projects in SDG&E’s RPS Portfolio. Projects from SDG&E’s portfolio made available to eligible Participants are RPS-eligible resources that are interconnected to the CAISO grid, or located in Imperial Valley (or outside California) and dynamically transferred via pseudo-tie into CAISO. SDG&E is not selling Resource Adequacy (“RA”) with any of these transactions. The final portfolio sale will be shaped as specified by the seller in the bid form.

**B. Transaction Documents**

a) Bundled Energy Products (Bundled Firm and Bundled Unit Contingent)

Respondents bidding on bundled energy products must mark up SDG&E’s Long-form Confirmation to the Western Systems Power Pool (“WSPP”) Agreement. Any resulting agreement shall be subject to CPUC approval. Additional respondent criteria are described in Section 7.0 “Products & Eligibility Requirements.”

b) Unbundled REC Agreements (Unbundled Firm and Unbundled Unit Contingent)

Respondents bidding on unbundled RECs products must mark up SDG&E’s Long-form Confirmation to the WSPP or EEI Agreement. Any resulting agreement shall be subject to CPUC approval. Additional eligibility requirements are described in Section 7.0 “Products & Eligibility Requirements”.

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<sup>3</sup> If using another source to provide real-time ancillary services required to maintain an hourly or sub-hourly import schedule into a CBA is permitted, but only the fraction generated by the ERR will count as a bundled energy product.

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## 2.0 RFP WEBSITE AND COMMUNICATIONS

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The RFP and all subsequent revisions and documents are available for download from the RFP Website <https://www.sdge.com/2020rpsrfp>. Potential Respondents are responsible for monitoring the RFP Website for subsequent updates, notices and postings.

Offers for the 2020 RPS REC Sale RFP must be submitted through the PowerAdvocate® website. Offerors intending to submit an Offer but who 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 RFP 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 by searing open RFPs or by using the link below:

Public Registration Link: <https://www.poweradvocate.com/pR.do?okey=105513&pubEvent=true>

All questions or other communications regarding this RFP must be submitted via email to SDG&E's RFP inbox [RECsaleRFP@sdge.com](mailto:RECsaleRFP@sdge.com) and **MUST** cc the Independent Evaluator (IE) [keith.oliver@merrimackenergy.com](mailto:keith.oliver@merrimackenergy.com). SDG&E will not accept questions or comments in any other form, except at the Bidder's Conference where both SDG&E and the IE will be present. Question submitted after the deadline as specified in the RFP Schedule will only be answered at the sole discretion of SDG&E or the IE. All questions and their answers will be posted publicly on this website anonymously soon after receipt. We cannot respond directly to or confidentially to any questions.

### 3.0 RFP SCHEDULE

The following schedule and deadlines apply to this RFP. 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 RFP Website for updated schedules and possible amendments to the RFP or the solicitation process.

NO.	ITEM	APPROX. DATE
1.	RFP Issued	May 29, 2020
2.	Pre-Bid Conference (Webinar)	June 5, 2020
3.	DEADLINE TO SUBMIT QUESTIONS Question submittal cut-off date. Answers to all questions will be posted on the website no later than 3 business days following question submittal cutoff date	June 12, 2020
4.	CLOSING DATE: Offers must be submitted to PowerAdvocate® website no later than <b>NOON</b> (PPT).	June 22, 2020
6.	SDG&E submits FINAL list of shortlisted Bidders to Commission and PRG.	August 14, 2020
7.	SDG&E notifies shortlisted Bidder(s).	August 17, 2020
8.	SDG&E issues appreciation notices to unsuccessful Bidders.	August 19, 2020
9.	SDG&E commences with Transaction Document negotiations.	August 19, 2020
10.	SDG&E submits Tier 1 or Tier 3 Advice Letter(s) with agreements for Commission approval.	End Q3 2020

#### PRE-BID CONFERENCES

SDG&E will host one pre-bid webinar conference on June 5, 2020. While encouraged, participation in the pre-bid conference is NOT mandatory to submit an offer. Please monitor the RFP Website periodically. The venue and time of the pre-bid conference will be posted as soon as arrangements are finalized.

Any party interested in attending this pre-bid conference and/or webinar should email the following information to [RECSaleRFP@sdge.com](mailto:RECSaleRFP@sdge.com). Please limit your participation to two representatives per organization.

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

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## 4.0 RFP RESPONSE INSTRUCTIONS

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Forms are available on the RFP Website. The failure to provide the listed information may result in the bids being deemed non-conforming and may disqualify the proposal from further consideration.

**Required Forms for Bundled Energy Product Offers:**

- 1) Participation Summary and Bid Form
- 2) Credit Application
- 3) Transaction Document – Respondents shall populate and redline the Transaction Agreement.

**Required Forms for Unbundled REC Offers:**

- 1) Participation Summary and REC Bid Form
- 2) Credit Application
- 3) Model REC Agreement – To be provided by SDG&E at time of shortlisting.

**Submissions containing unsolicited materials or submissions of individual Offer documents in file formats other than the formats of the original Offer forms may be rejected. This RFP is an electronic only Solicitation; Respondents need not submit paper documents nor e-binders.**

All offer materials submitted in accordance with the above Response Instructions shall be subject to the confidentiality provisions of Section 10 “Confidentiality” of this RFP.

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 RFP 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 RFP or to meet additional information needs. SDG&E also reserves the unilateral right to waive any technical or format requirements contained in the RFP.

**ALL BIDS SHOULD BE VALID AND BINDING FOR THE DURATION OF THE RFP.**

**SDG&E WILL NOT REIMBURSE RESPONDENTS FOR THEIR EXPENSES UNDER ANY CIRCUMSTANCES, REGARDLESS OF WHETHER THE RFP PROCESS PROCEEDS TO A SUCCESSFUL CONCLUSION OR IS ABANDONED BY SDG&E IN ITS SOLE DISCRETION.**



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## 5.0 RPS PROGRAM PARAMETERS

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### CALIFORNIA RPS PROGRAM

California's Renewable Portfolio Standard ("RPS") Program was adopted in 2002 and is codified at Public Utility Code sec 399.11, *et seq.*<sup>4</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 60% of retail sales by 2030<sup>5</sup>. Unlike the prior annual RPS program, the 60% regime sets increasing targets for multi-year Compliance Periods ("CPs"). 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, R.11-05-005, R.15-02-020, and R.18-07-003. SDG&E will comply with all CPUC decisions governing RPS procurement. These decisions are publicly available on the CPUC's website at: [https://www.cpuc.ca.gov/RPS\\_Overview/](https://www.cpuc.ca.gov/RPS_Overview/)

### RPS ELIGIBILITY CRITERIA

Resources being offered in this solicitation are certifiable as an "eligible renewable resource" by the CEC. Eligibility criteria are set forth by the CEC in its Renewable Portfolio Standard Eligibility Guidebook, which can be downloaded from the CEC's website at <http://www.energy.ca.gov/renewables/documents/index.html>. Respondents are encouraged to review all RPS-related, CEC issued directives available on the same Internet website and are responsible for understanding and abiding by all RPS provisions. All requirements set forth within the CEC's guidebooks and all RPS-related documents shall be incorporated herein by reference.

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<sup>4</sup> See, Senate Bill (SB) 1078 (Stats. 2002 Ch. 516), as amended by SB 107, (Stats. 2006, Ch. 464).

<sup>5</sup> See, Senate Bill (SB) 100.

### **PROCUREMENT REVIEW GROUP**

The Procurement Review Group (“PRG”), a CPUC-endorsed entity, is composed of non-market participants such as ratepayers’ advocacy groups, state energy commissions, power authorities, utility-related labor unions and other non-commercial, energy-related special interest groups. CPUC Decision D.03-06-071 established the role of the PRG. The PRG is charged with overseeing the IOU’s procurement process, reviewing procedural fairness, examining overall procurement prudence and providing feedback during all stages. From RFP language development to offer evaluation to contract negotiation, IOUs brief the PRG on a periodic basis during the entire process.

Respondents are hereby notified that revealing confidential offer information to the PRG is required during PRG briefings in accordance with Section 10 (“Confidentiality”). Each Respondent must clearly identify, as part of its offer, what type of information it considers to be confidential.

### **INDEPENDENT EVALUATOR**

The CPUC requires each IOU to use an Independent Evaluator to separately evaluate and report on the IOU’s entire solicitation, evaluation, and selection process for this solicitation. This will serve as an independent review of SDG&E’s implementation of the RFP process and final selections. The Independent Evaluator shall make periodic presentations regarding its findings to the IOU, and the IOU’s PRG including the CPUC Energy Division staff. The intent is to preserve the independence of the Independent Evaluator by ensuring free and unfettered communication between the Independent Evaluator and the CPUC as well as an open, fair, and transparent process that the Independent Evaluator can affirm.

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

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## 6.0 SDG&E BACKGROUND

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[SDG&E](#) is a regulated public utility that provides clean, safe and reliable energy service to 3.6 million consumers through 1.4 million electric meters and 873,000 natural gas meters in San Diego and southern Orange counties. The utility's area spans 4,100 square miles. SDG&E is committed to creating ways to help customers save energy and money every day. SDG&E is a subsidiary of [Sempra Energy](#) (NYSE: SRE), a Fortune 500 energy services holding company based in San Diego. Connect with SDG&E's Customer Contact Center at 800-411-7343, on [Twitter](#) (@SDGE) and [Facebook](#).



For a map of 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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## 7.0 PRODUCTS & ELIGIBILITY REQUIREMENTS

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### A. Compliance Periods.

In this RFP, SDG&E intends to offer bundled and unbundled RECs for the periods defined in Table 2 of this document. Such products are defined below.

#### I. Bundled Energy Products (Bundled Firm and Bundled Unit Contingent)

- a. Term: 1 month to 1 year (firm), and 1 month to 10 years (unit contingent)
- b. Pricing: Index Price plus Green Attributes Price \$/MWh
- c. Volume: To be bid in

#### II. Unbundled REC Products (Unbundled Firm and Unbundled Unit Contingent)

- a. Term: One-time transfer or recurring unit contingent transfers during specified term up to 10 years to designated WREGIS Account
- b. Pricing: Bid REC price expressed in \$/MWh
- c. Volume: To be bid in

### B. Eligibility Requirements

1. WREGIS Account; and
2. Credit Capability (See Section 12.0 "Credit Terms and Conditions").

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## 8.0 EVALUATION CRITERIA AND SHORTLISTING

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All incoming Bids will be assessed for conformance to the RFP requirements. Respondents shall conform to the minimum eligibility criteria in order to be considered, please see RFP Response Instructions.

SDG&E will utilize all the information provided in the required forms and narratives to evaluate all Bids. Respondents are responsible for the accuracy of all information provided in response to this RFP.

SDG&E will periodically brief the members of the PRG during the various stages of evaluation. Upon completion of SDG&E's evaluation process, SDG&E will brief the PRG members regarding SDG&E's recommendations for its shortlist. Based upon the comments and recommendations received from the PRG, SDG&E may modify the preliminary list of shortlisted bids.

### QUANTITATIVE EVALUATION

SDG&E evaluates and ranks bids based on the pricing, volume and term information provided by the Bidders. SDG&E's analysis evaluates both quantitative and qualitative aspects of each bid to estimate its value to SDG&E's customers and its relative value in comparison to other Offers. SDG&E considers the value of selling Renewable Energy as compared to the potential value of using such Renewable Energy to defer future RPS purchases to meet RPS compliance targets through REC banking. The quantitative valuation of an Offer takes into account SDG&E's RPS position and any opportunity costs associated with each transaction. A bid that minimizes overall cost to SDG&E's customers and satisfies all volumetric and timing constraints will be selected. The Offer will be shortlisted if it fulfills the quantitative and qualitative criteria and SDG&E decides to move forward to close a transaction.

### QUALITATIVE EVALUATION

Qualitative factors and benefits may be used to determine advancement onto the shortlist or evaluate tie-breakers, if any.

### ADHERENCE TO TERMS AND CONDITIONS

Respondents may not make material modification(s) to the supplied Transaction Documents. SDG&E will review modifications of any terms and conditions proposed in the Offer and consider the materiality of these changes. Material changes will result in disqualification.

### BID CONFORMANCE EVALUATION

In addition to the elements described above, SDG&E may also reject a Bid if:

1. SDG&E uncovers evidence of market manipulation in the bid preparation and Offer process;

2. The Respondent does not provide adequate evidence it meets minimum participation criteria;
3. If there is a question as to whether the bids meet minimum eligibility criteria;
4. If the Respondent cannot fulfill the terms and conditions of the supplied Transaction Documents;
5. If the Respondent is unable to comply with RFP timing and other solicitation requirements; and/or
6. Respondent in SDG&E's sole judgment may not be able to provide or maintain the level of security of the transaction.

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## 9.0 REJECTION OF OFFERS

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WHILE SDG&E IS MINDFUL OF THE BENEFITS OF THIS RFP, IT MAKES NO GUARANTEE THAT A CONTRACT AWARD SHALL RESULT FROM THIS RFP EVEN AFTER A BID HAS BEEN SHORTLISTED. IN ADDITION, SDG&E NOTES THAT SHORTLISTING A BID DOES NOT CONSTITUTE SDG&E ACCEPTANCE OF ALL REDLINED CHANGES TO THE REQUIRED TRANSACTION AGREEMENT. SDG&E RESERVES THE RIGHT AT ANY TIME, AT ITS SOLE DISCRETION, TO ABANDON THIS RFP PROCESS, TO CHANGE THE BASIS FOR EVALUATION OF BIDS, TO TERMINATE FURTHER PARTICIPATION IN THIS PROCESS BY ANY PARTY, TO ACCEPT ANY BID OR TO ENTER INTO ANY DEFINITIVE AGREEMENT, TO EVALUATE THE QUALIFICATIONS OF ANY RESPONDENT OR THE TERMS AND CONDITIONS OF ANY BID, OR TO REJECT ANY OR ALL BIDS, 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 BID.

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## 10.0 CONFIDENTIALITY

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EXCEPT AS STATED BELOW OR 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 RFP, 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. RESPONDENT MAY DISCLOSE THEIR PARTICIPATION IN THIS RFP, THEIR OFFER INFORMATION, AND THE NEGOTIATION PROCESS, TO THE CPUC, ITS STAFF, THE PRG AND THE IE UNDER APPROPRIATE CONFIDENTIALITY PROTECTIONS.

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 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") FOR THE PURPOSE OF EVALUATING RESPONDENT'S OFFER, 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 RFP WILL BE PROVIDED TO THE CPUC, ITS STAFF, THE CEC, ITS STAFF, AND THE PRG. SDG&E WILL SEEK CONFIDENTIAL TREATMENT PURSUANT TO CPUC DECISION NUMBER 06-06-066 AND ITS SUCCESSIVE DECISIONS, PUBLIC UTILITIES CODE SECTION 583 AND GENERAL ORDER 66-D OF THE CPUC, WITH RESPECT TO ANY RESPONDENT CONFIDENTIAL INFORMATION SUBMITTED BY SDG&E TO THE CPUC FOR THE PURPOSES OF OBTAINING REGULATORY APPROVAL. SDG&E WILL ALSO SEEK CONFIDENTIALITY PROTECTION FROM THE 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, 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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## 11.0 CREDIT TERMS AND CONDITIONS

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SDG&E has the unilateral right to evaluate and determine the credit-worthiness of the Respondent relative to this RFP. The Respondent is required to complete, execute and submit the RFP credit application as part of its offer. The application requests financial and other relevant information needed to demonstrate creditworthiness. Respondents may download the application from the RFP Website.

All credit support arrangements (e.g., parent guaranty letter of credit, or cash) must be negotiated prior to an offer being accepted as a winning offer. The form of the security (e.g. parent guaranty, letter of credit, or cash) will be at SDG&E's sole discretion and will depend on various factors including Respondent's credit-worthiness, product type, the volume and the term of the agreement. A guaranty template and a letter of credit template may be downloaded from the RFP Website as separate attachment to the Transaction Document.

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## **12.0 CPUC APPROVAL**

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SDG&E may, in its sole discretion, submit any or all signed agreements to the CPUC for approval. CPUC approval that is final and non-appealable will be required as a condition precedent to the effective date of any contract resulting from this RFP. Deliveries under any contract will not start prior to CPUC approval.