

SDG&E 2016 Preferred Resources LCR RFO

Questions & Answers / FAQs

Distributed Generation (DG) Product Type Specific Questions

- 1. Which RFO is most appropriate for a behind-the-meter (BTM) photovoltaic (PV) +Storage solution? DG, DR, Renewables or Energy Storage? If Renewables, would the project require RPS eligibility?**
This question is answered in the DR product type Q&A. Please see question # 2.
- 2. Would SDG&E consider pricing in \$/kW-mo rather than \$/MWh, especially for a hybrid PV + storage solution?**
This question is answered in the General Q&A. Please see question # 7.
- 3. Would SDG&E consider BTM PV + Storage a “fully deliverable resource”? How would SDG&E assess or characterize this technical constraint?**
This question is answered in the DR product type Q&A. Please see question # 4.
- 4. Please provide clarification on the proper emissions limits for eligibility in this RFO. On p. 18 of the DG RFO conformance requirements, the following statement is made: “9. The DG facility’s GHG emissions must be equal to or less than the emission factor of .320 metric tons of CO₂e per MWh.” The footnote for this statement is as follows: “This level has been determined by the CPUC to be GHG-reducing in California in the long-term per D.15-11-027, Appendix B.” The factors in D.15-11-027, Appendix B appear to be inconsistent with the listed .320 metric tons of CO₂e per MWh.**

SGIP GHG Eligibility Emissions Factors, kgCO₂/MWh

Program Year	2016	2017	2018	2019	2020
10-Year Average	350	347	344	340	337
First-Year Average	334	332	329	325	321

SDG&E requires the projects to be below any of the SGIP factors. The lowest factor in the table is .321, so bidder’s are required to be at 0.320 or lower.

- 5. What product type should PV go in?**
Please see the renewables FAQ, question #2.
- 6. What are the proper pro-forma agreements to utilize for our DG bid(s)?**
All potential DG bidders must contact PrefResourcesRFO@semprautilities.com prior to the end of the Q&A period on June 17, 2016 to discuss their offer. Following these discussions a pro forma agreement will be provided as applicable.
- 7. Will there be a preference or MW set-aside for DG bids located in central San Diego proper in the RFO, or will such resources be in direct competition with large-scale wind and solar bids located still considered “in-basin” but outside of central San Diego?**
There are no set asides other than 25 MW of energy storage as required by the Track 4 decision.
- 8. Please give more details on “incremental”?**
See General FAQ #18

9. **Does SDG&E have a minimum run-hour requirement for DG or a capacity factor requirement?**
No
10. **If a reciprocating engine DG project meets all the conformance requirements included in the DG RFO, could such a reciprocating engine based offer be considered conforming?**
Yes
11. **Can SDG&E provide a brief guide for the RA and conformance requirements?**
Because the RA rules are complex and come from both the CPUC and the CAISO, SDG&E does not have a 'brief guide' to offer.
13. **Are projects that are going through the annual DG deliverability process eligible for this RFO? Can we submit a proposal in anticipation for next year?**
For DG projects that are not behind-the-meter, full capacity deliverability is required in order to count for RA by delivery start date and a completed phase I study is required for bid submission.
14. **Does DG that relieves transmission costs in congested areas get an extra benefit in SDG&E's evaluation?**
See FAQ evaluation question #7.
15. **Will SDG&E place any value on firming intermittent resources in the NMV calculation?**
See FAQ evaluation question #8.
16. **If my project installs an energy storage system on a customer site that has solar with a NEM interconnection agreement, will my project be conforming?**
No.
17. **If my project installs an energy storage system on a customer site that has solar with a NEM interconnection agreement, and I interconnect my storage system to the distribution system through a separate interconnection agreement with SDG&E will my project be conforming?**
If the resource just happens to be on the same customer property and assuming the energy storage system has a separate interconnection, is separately metered, and is not serving the customer load and it meets the conformance requirements of the ESSPPTA product type, then yes.
18. **If my project installs additional energy storage capacity to a system that has received SGIP, will my project be conforming?**
No.

19. A. Which RFO is most appropriate for a customer-sited/behind-the-meter (BTM) photovoltaic (PV) + Storage solution?

Updated 4/26/16

For a hybrid PV+storage system you may offer into the DR or DG product types. For whichever you chose, you must meet the conformance requirements.

If you chose the DR product type, it must be a dispatchable system by SDG&E and the CAISO and SDG&E will only pay for the dispatchable capacity. Aggregation of multiple sites is allowed.

If you chose the DG product type, the system will be separately metered and not be dispatchable by SDG&E or the CAISO. You must fill out all of the DG offer forms (the DG Offer Form, Project Description Form, Electrical Interconnection Information as applicable, Credit Application, and DBE form as applicable). In addition complete the Renewable's Offer Form, the Resource Report and PVSyst Files, and include all system output in the delivery profile (this is because the system is not dispatchable and SDG&E needs the delivery profile in order to evaluate the resource). Aggregation of multiple sites is allowed.

B. Which RFO is most appropriate for a customer-sited/behind-the-meter (BTM) storage only system?

For a customer-sited BTM storage only system you may offer into the DR or DG product types. For whichever you chose, you must meet the conformance requirements.

If you chose the DR product type, it must be a dispatchable system by SDG&E and the CAISO and SDG&E will only pay for the dispatchable capacity. Aggregation of multiple sites is allowed.

If you chose the DG product type, the system will be separately metered and not be dispatchable by SDG&E or the CAISO. You must fill out all of the DG offer forms (the DG Offer Form, Project Description Form, Electrical Interconnection Information as applicable, Credit Application, and DBE form as applicable). In addition complete the Renewable's Offer Form and include all system output in the delivery profile (this is because the system is not dispatchable and SDG&E needs the delivery profile in order to evaluate the resource). Aggregation of multiple sites is allowed.

C. Which RFO is most appropriate for a customer-sited PV system?

For a customer-sited PV system you may offer into the DG product type only and you must meet the conformance requirements of the DG category.

The system will be separately metered and not be dispatchable by SDG&E or the CAISO. You must fill out all of the DG offer forms (the DG Offer Form, Project Description Form, Electrical Interconnection Information as applicable, Credit Application, and DBE form as applicable). In addition complete the Renewable's Offer Form, the Resource Report and PVSyst Files, and include all system output in the delivery profile (this is because the system is not dispatchable and SDG&E needs the delivery profile in order to evaluate the resource). Aggregation of multiple sites is allowed.

- 13. Since Clean Gen contract expirations were known at the time of the 2012 long term procurement plan proceeding, can you confirm that resources used in that program would be considered incremental if they are in the market beyond their 2016 program period?**

SDG&E has not provided any 'pre evaluation' in terms of incrementality or any other conformance requirements. Please make your best case as to how and why this offer / project is incremental and SDG&E will evaluate the response in due course

- 14. If DG facilities surpass the 0.32 metric tons of CO₂e per MWh limit, what options can SDG&E provide to waive the GHG requirement?**

SDG&E is not intending to waive any of the conformance requirements at this time. If your offer is a DG offer and will exceed the .32 metric tons of CO₂e per MWh limit, that offer will be considered non-conforming.

- 15. Can bidders purchase CO₂ allowances to bring facilities in line with the GHG requirements? If yes, how should this intention be noted on the offer submission? If allowed, would the CO₂ allowances have to come from CA sources or can they be purchased on the US open market?**

At this time SDG&E is not intending to allow other mechanisms (such as the purchase of CO₂ allowances) relative to the .32 metric tons of CO₂e per MWh limit.

- 16. Regarding Requirement 9 for GHG emissions, does the limit just include the GHG emissions from the generators participating in the DG program or the entire facility?**

The .32 metric tons of CO₂e per MWh limit applies to the generation resource that is the subject of the DG offer; generally this would not be the entire facility, but the specifics of your offer will need to be considered.