

SAN DIEGO GAS AND ELECTRIC COMPANY

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

2025

REQUEST FOR OFFERS FOR THE SALE OF RENEWABLE ENERGY AND RESOURCE ADEQUACY PRODUCTS FROM BIORAM RESOURCE

ISSUED AUGUST 20, 2025

OFFERS DUE September 2, 2025

RFO WEBSITE

www.sdge.com/2025TMNBCRECANDRAsaleRFO

EMAIL QUESTIONS/COMMENTS TO BioRamRPSRECs2@sdge.com

INDEPENDENT EVAULATOR

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1.0 SCOPE OF REQUEST

As authorized by D.18-12-003, San Diego Gas & Electric Company ("SDG&E") is issuing this Request for Offers ("RFO") seeking proposals from third parties ("Respondents") who are interested in purchasing bundled renewable energy and/or resource adequacy attributes from a BioRAM resource under contract with SDG&E ("Resource"). By responding, Respondents are bound by the terms and conditions of this RFO.

SDG&E endeavors to sell bundled electric energy and renewable energy credits ("RECs") (together, "Bundled Energy Product") in the amount and delivery period set forth in Table 1, below, for buyer's use as Portfolio Content Category 1 ("PCC 1"), defined as the energy plus the environmental attribute from renewable generation facilities with a first point of interconnection within a California Balancing Authority ("CBA"), or facilities that directly schedule electricity into a CBA on an hourly or sub-hourly basis. The Bundled Energy Product is derived from Resource(s) 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").

Additionally, SDG&E seeks to sell California Independent System Operator ("CAISO") System Resource Adequacy ("RA") attributes for the amount and delivery period defined in Table 2, below.

This RFO 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 Product or RA attributes.

Definition of Bundled Energy Product(s)

SDG&E is required to make available for sale Bundled Energy Products associated with their tree mortality-related procurement contracts required by Resolution E-4770 and Resolution E-4805.

To ensure Bundled Energy Product categorization of the RECs, each investor-owned utility ("IOU") shall offer for sale a bundled RPS product consisting of future deliveries of energy and RECs from each tree mortality-related procurement contract, with the energy being settled at the market index price. A summary of the offered product type is provided below:

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

- Must have first point of interconnection ("POI") with a 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 source¹; **or**
- Have an agreement to dynamically transfer electricity to a CBA.

¹ 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.

Product Types Offered in this RFO

Table 1 - January 1, 2026 (expected) through December 31, 2029, Bundled Energy Product

Product Types:	Bundled Energy Product
Minimum Term:	1 year
Maximum Term:	4 years
Delivery Start Date:	Start no earlier than January 1, 2026
Point of Delivery:	NP-15 EZ Gen Hub
Min Total Contract Volume:	10,000 MWh (As Available)
Max Total Contract Volume:	up to 175,000 MWh per year (As Available per year)

Table 2: Calendar Years (CY) 2026 to 2029 CAISO System Resource Adequacy

Product Type:	CAISO System Resource Adequacy
Minimum Term:	1 year
Maximum Term:	4 Years
Delivery Start Date:	Start no earlier than January 1, 2026
Available NQC (MW):	Up to 24 MW
Flexible Attribute:	None
Minimum Volume:	Full unit NQC Quantity for each month
Price:	\$/kW-year

2.0 RFO WEBSITE AND COMMUNICATIONS

The RFO and all subsequent revisions and documents are available for download from the RFO Website: (https://www.sdge.com/2025TMNBCRPSRECANDRAsaleRFO). Potential Respondents are responsible for monitoring the RFO Website for subsequent updates, notices and postings.

Offers for this RFO must be submitted through the PowerAdvocate® website. Respondents 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.

To log in

1. Open a web browser and go to 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.

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 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 <u>Supplier</u> using the instructions above and the Referral information below to access the RFO event.

Users with an existing PowerAdvocate® account may request access to the event by using the link below:

Public Registration Link: https://www.poweradvocate.com/pR.do?okey=236352&pubEvent=true

All questions or other communications regarding this RFO must be submitted via email to BioRamRPSRECs2@sdge.com and MUST co keith.oliver@merrimackenergy.com.

SDG&E will not accept questions or comments in any other form. Question submitted after the deadline as specified in the RFO 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 RFO 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 for updated schedules and possible amendments to the RFO or the solicitation process.

NO.	ITEM	DATE
1.	RFO Issued	August 20, 2025
2.	DEADLINE TO SUBMIT QUESTIONS:	August 26, 2025
	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.	
3.	OFFERS SUBMITTAL DATE:	September 2, 2025
	Offers must be submitted no later than NOON (Pacific Prevailing Time)	
4.	SDG&E notifies winning Bidder(s)	September 19, 2025
5.	Contracts are executed	October 2025
6.	SDG&E submits Tier 1 Advice Letter	October 2025

4.0 RFO RESPONSE INSTRUCTIONS

Respondents may submit bids into this solicitation by submitting the forms listed below via PowerAdvocate® prior to the offer due date. Forms are available on the RFO Website. The failure to provide the listed information, including failure to provide it in the required format, may result in the proposal being deemed non-conforming and may disqualify the proposal from further consideration.

Required Forms:

- 1) Bundled Energy Product Offer Form and/or RA Offer Form
- 2) Credit Application
- **3)** Purchase Agreement (PA) and/or RA Confirmation Respondents shall populate the PA/Confirmation template.

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

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.

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

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

5.0 RPS PROGRAM PARAMETERS

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.² 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 IOUs to procure renewable energy in the amount of 60% of retail sales by 2030³. 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/

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 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.

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 and water 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 RFO language development

² See, Senate Bill (SB) 1078 (Stats. 2002 Ch. 516), as amended by SB 107, (Stats. 2006, Ch. 464).

³ See, Senate Bill (SB) 100.

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 RFO 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. All correspondences regarding this RFO MUST cc the IE.

Keith Oliver – Merrimack Energy keith.oliver@merrimackenergy.com

6.0 SDG&E BACKGROUND

SDG&E is a regulated public utility that provides 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

7.0 PRODUCTS & ELIGIBILITY REQUIREMENTS

A. Products

In this RFO, SDG&E intends to offer/sell Bundled Energy Product(s) as defined below:

I. Bundled Energy Product

- a. 1 to 4 years
- b. Pricing: Green Attributes Price in \$/MWh
- c. Volume: To be bid by RF participant, up to 175,000 MWh/year
- d. Unit Contingent, Non-firm: SDG&E shall determine the Contract Quantity during the Delivery Period
- e. Eligibility Requirements:
 - 1. WREGIS Account; and
 - 2. Credit Capability (See Section 11.0 "Credit Terms and Conditions")

II. CASIO System RA Product

- a. Product: CAISO System RA
- b. Delivery Period: 1 to 4 years
- c. Volume: Unit Contingent, up to 24 MW
- d. Pricing: Offers in \$/kw-yr
- e. Credit Capability (See Section 11.0 "Credit Terms and Conditions")

8.0 EVALUATION CRITERIA AND SHORTLISTING

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

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 short-list. Based upon the comments and recommendations received from the PRG, SDG&E may modify the preliminary list of winning 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 customers and its relative value in comparison to other Offers. The Offer will be accepted 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 short list or evaluate tie-breakers, if any.

ADHERENCE TO TERMS AND CONDITIONS

Respondents may not make material modification 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 or not 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 RFO 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.

9.0 REJECTION OF OFFERS

WHILE SDG&E IS MINDFUL OF THE BENEFITS OF THIS RFO, IT MAKES NO GUARANTEE THAT A CONTRACT AWARD SHALL RESULT FROM THIS RFO 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 RFO 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.

10.0 CONFIDENTIALITY

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 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. RESPONDENT MAY DISCLOSE THEIR PARTICIPATION IN THIS RFO, 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 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") 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 RFO 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, 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, IT'S 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.

11.0 CREDIT TERMS AND CONDITIONS

SDG&E has the unilateral right to evaluate and determine the credit-worthiness of the Respondent relative to this RFO. 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. Respondents may download the application from the RFO Website.

All credit support arrangements (e.g., 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. 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.

12.0 CPUC APPROVAL

SDG&E shall submit 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 effectiveness of any contract resulting from this RFO. Deliveries under any contract will not start prior to CPUC approval.