



**Frequently Asked Questions (FAQ)  
for the  
*FlexPOWER* Bundle<sup>SM</sup>  
Request for Proposal (RFP)  
(Photo Voltaic Solar, Energy Storage, and All-Source Firming Resources)**

**Request for Proposal No. 7000163185**

**Issued: November 30, 2020**

**Proposal Submission Deadline: February 1, 2021 by 3:00 p.m. (Central Time)**

**CPS ENERGY  
P.O. BOX 1771  
SAN ANTONIO, TEXAS 78296-1771  
[www.cpsenergy.com](http://www.cpsenergy.com)**

**Q1. The RFP calls for an environmental, social, and governance (ESG) Risk Rating Score it has received from Sustainalytics, an established ESG rating agency. For companies that are not publicly traded, will CPS Energy accept a private rating from Sustainalytics?**

Yes. If a Respondent does not have an ESG risk rating in the Public domain, CPS Energy would accept a Private rating as an alternative, as long as the Private and Public ratings are comparable.

**Q2. Would an LOI be deemed sufficient demonstration of site control? What is it in the LOI that would demonstrate site control?**

The LOI is deemed sufficient to demonstrate site control if it is binding and exclusive. It must include, at a minimum, following specifications such as:

1. Legal property description
2. Intent to buy or lease the property
3. Contingencies and exclusions
4. Names of parties
5. Signature of parties
6. Date of signatures
7. If leased, duration of anticipated lease and any terms of site use restrictions, site restoration requirements at end of lease, etc.
8. If for purchase, date of anticipated purchase and list of any impediments or encumbrances associated with the property.

**Q3. What are the financial documents that can be submitted in lieu of audited financial statements for a non-publicly traded Respondent?**

CPS Energy prefers audited financial statements. However, for a non-publicly traded Respondent we will accept 3 years of unaudited financial statements combined with tax returns in lieu of the audited financial statements.

**Q4. Should a bidder have to enter the same price for solar PV in all years of the contract term and leave the remaining years blank on the pricing tab?**

For a solar PV based Proposal the Respondent must enter the same price for each year of the proposed PPA term. Price escalation is not allowed. If the term is less than 25 years, then the price field for the remaining years beyond the proposed term should be left blank.

**Q5. Is a bidder required to give two proposals (one for resource node and one for hub node) for each resource (for each "Project")?**

Yes. For each resource (or “project”), the Respondent must provide two Proposals, one supporting the price at the resource node and the other supporting the price at the hub node.

**Q6. Can we propose a capacity greater than the maximum capacity shown for a Product? Our resource has the ability to deliver more than the maximum amount during certain time periods.**

Proposing a Contract Capacity more than the maximum capacity specified for a Product would not meet the Product requirements stated in the RFP and therefore such a Proposal would not pass the Threshold Screening described in the RFP. More specifically, the following Portal entries for Contract Capacity should not exceed the maximum shown in the Product requirements;

1. Commercial tab under PPA - "Contract Capacity (in MW)"
2. Commercial tab under Firming and Storage Resources Guaranteed Capacity & Reliability - "Contract Capacity"
3. Commercial tab under Firming Resources Ramp Rate, Minimum Load, and Allowable Starts per Day:
  - a. Ramp Rate - "Contract Capacity"
  - b. Minimum Load – Starts per Day - "Contract Capacity"

The balance of Portal entries that require a capacity value may contain a value that exceeds the maximum stated in the Product requirements reflecting the ability of the resource to deliver more than the maximum amount during certain time periods.

**Q7. When entering Capacities in the Power Advocate Portal, what ambient conditions should be used?**

The Technical tab of the Portal requires various capacity and heat rate values at various seasonal and hourly periods (Average daily capacity, Capacity at hour ending 19, Summer capacity, Winter capacity, Average heat rate daily, Polynomial equation representing average heat rate, Summer heat rate, Winter heat rate, Minimum load of the Project at ISO conditions, Maximum load of the Project at ISO conditions). Please use reasonable assumptions for the ambient conditions at the resource site that are forecast to occur during these time periods.

**Q8. Can the "Technology Risk/Maturity" be omitted for existing projects or proposed projects that will be using technologies considered mature by EPRI?**

As stated on the Commercial Tab of the RFP Portal under "Technology Risk/Maturity", all Proposals must describe the resource technology including existing resources. Providing a response will assist CPS Energy is evaluating a Proposal on all aspects of the RFP.

**Q9. Does the 180-day requirement for firm pricing apply to existing resources?**

Yes, the 180-day requirement for firm pricing applies to existing Firming resources. If a Respondent has a concern with a particular time period, the Respondent is encouraged to submit multiple Proposals with different start dates or term periods.

**Q10. Article 1 of the draft PPA defines "Scheduled Commercial Operations Date" whereas the Power Advocate portal uses the terms "Guaranteed Initial Delivery Date" and "In Service Date", are these three terms referring to the same date?**

Yes, they all have the same meaning, and refer to the same date.

**Q11. Is the Variable O&M cost (\$/MWh), mentioned in the technical data tab of Power Advocate), the same as the PPA price for Solar projects?**

Yes, the variable O&M cost shall be equal to the PPA price for Solar PV.

**Q12. Would CPS Energy consider an availability Guarantee instead of a "Contract Year Minimum Metered output"?**

For the purposes of this RFP, CPS Energy will not consider an availability guarantee in place of a production guarantee. Proposals require the production guarantee to be in compliance.

**Q13. Concerning Exhibit C or the RFP, "Most Valuable Hours", will those hours be set each day, day ahead market or will CPS have a Call option for the four (4) or six (6) hour blocks?**

CPS Energy requires the ability to dispatch firming products TF4 and TF6 for any four (4) and six (6) hours each day respectively.

**Q14. Can a storage resource project have the ability to participate in the wholesale market?**

As stated in the RFP section II.A.3 Firming table line #4, CPS Energy requires access to the resource all hours of the day.

**Q15. Will CPS Energy pay for and schedule the energy used to charge a storage project?**

Yes, CPS Energy will pay for the charging energy and determine when the system is charged. Refer RFP section II.A.3 Firming table line #15.

**Q16. When referring to HB North/HB South, what is the HB in reference to?**

“HB” stands for “Hub”. Refer the ERCOT protocols for more information.

**Q17. For Transmission Level Products, do the Products need to be interconnected to the CPS Energy Bulk Energy System or can they be interconnected to ERCOT.**

As stated in the RFP Collective document section II.A.3 Firming table line #8, transmission scale firming products require interconnection to the ERCOT Grid or the CPS Energy Bulk Electric System (BES). Transmission scale interconnection is not limited to the CPS Energy BES and can be interconnected anywhere on the ERCOT Grid.

**Q18. Do the Community Stewardship requirements apply to the Greater San Antonio area, or can this apply to the community if outside the San Antonio area?**

As stated in the RFP section II.H Importance of Community Stewardship, CPS Energy takes great pride in contributing to the economic well-being of the Greater San Antonio community. We also believe strongly in working with partners that can help fuel economic growth through any combination of job creation, workforce development and capital investment in the San Antonio area and CPS Energy service territory.

**Q19. Where is the list of acronyms in the dropdown box within the Proposal Naming Tool?**

A list of eligible Products and the associated acronyms are stated in the RFP Collective document section II.A Eligible Products. The Product tables starts on page #7; below each Product name one can find the corresponding acronym in parenthesis. For example, Transmission Scale Solar PV (“TPV”). The Product Type in the Proposal Naming Tool is a combination of the RFP “Product name” and denotation of either “New” as “N” or “Existing” as “E”.

A Product Dictionary has been uploaded to the RFP documents section of the Portal.

**Q20. Which Draft Term Sheet should be used for Non-Storage Distribution Level Firming Products?**

For Firming and standalone storage resources, Respondents are required to redline and upload term sheet titled “04\_Term\_Sheet\_for\_Firming\_and\_Standalone\_Storage.docx” to the RFP Portal. Please see the term sheet for distribution related terms.

**Q21. Do Firming products TF4, TF6 and TF12 require at least full capacity discharge per day? Is the 12-hour discharge either continuous or discontinuous?**

As stated in the RFP Collective section II.A.3 Firming:

- a. For firming products TF4, TF6 and TF12 (line #11), full generating capability of the resource is required at least one cycle per day.
- b. TF12 resource is required to provide full capacity continuous generating capability for 12 hours each day.

**Q22. What is considered a satisfactory proof of water supply & conveyance to CPS Energy?**

As described in the RFP, proof includes copies of water supply contracts, conveyance agreements, water rights agreements and related documents proving water supply sufficient for delivery of maximum water demand is/will be established per the date specified in Respondent's project schedule.

For example, a resource that will be supplied (or is supplied) by a retail water utility could prove supply by providing copies of letters and rate sheets from the utility showing that water will be provided in the volume and on the schedule required.

For a resource that is remote and will be (or is) supplied from a non-utility or a new well field, supply could be proved by providing copies of well permits, water conveyance (transport) commitments or similar documents showing that adequate wells and water can be developed/provided in the volume and on the schedule required.

The need for (or current use of) water for a Resource must be determined by the Respondent, it is not a requirement of the RFP or CPS Energy. The RFP merely requires the Respondent to describe the plans and arrangements for water supply and the expected annual amount of water that will be (or is) consumed by the Resource.

For solar projects, the consumption will be small relative to a thermal resource.

**Q23. RFP Portal currently includes 16 Proposal tabs. Can a Respondent request more tabs to submit more than eight (8) Proposals?**

Yes, Respondent(s) may request more tabs if needed.

**Q24. Is integration into CPS Energy owned gas turbine(s) and controls an acceptable arrangement? Or confirm that an alternate engineering, procurement and construction (EPC) supply of the retrofit equipment for CPS Energy ownership would be acceptable?**

Integration with the CPS Energy owned gas turbines or an arrangement where engineering, procurement, and construction (EPC) supply is provided is not an acceptable arrangement for the *FlexPOWER Bundle*<sup>SM</sup> RFP. However, collocation of new facilities on CPS Energy sites may be considered as long as it adds value to CPS Energy.

**Q25. Where can I locate the “Climate Equity Screening Tool” form?**

The “Climate Equity Screening Tool” can be found under the RFP documents section of the RFP Portal. As stated in the “Climate Equity Screening Tool” document, please provide a copy of your company’s sustainability report, or equivalent documentation of any initiatives, projects or efforts your company participates in to positively impact the environment and/or your community. Providing a sustainability report will assist CPS Energy in evaluating a Proposal on all aspects of the RFP.

**Q26. How can a Respondent ensure confidentiality of the information that is submitted on the RFP Portal?**

As stated in the “Texas Public Records Act” section on page #13 of the RFP Collective 7000163185, a Respondent shall be solely responsible for specifically and conspicuously designating the information by placing “CONFIDENTIAL” in the center header of each such page affected. A Respondent, in its sole discretion, can also mark the data sheets on the Power Advocate RFP Portal as “CONFIDENTIAL”.

Should a request for information be made, CPS Energy shall provide notice of such request to affected respondents, who will then have an opportunity to file an objection to disclosure.

In addition, please refer to the “Confidentiality Agreement” section on page #18 of the RFP Collective 7000163185 which states that when a Proposal becomes a Shortlisted Proposal, CPS Energy will post a draft form of the Confidentiality Agreement to the Portal at the time of shortlisting for the Respondent to review.

**Q27. What are the evaluation weights for each criterion? Is the criterion in an order of importance?**

As stated in the RFP, CPS Energy, in its sole discretion, will assign weight and importance to the evaluation criteria. The evaluation is a multi-phase process which begins with a Threshold screening followed by a detailed qualitative and quantitative evaluation.

**Q28. Is an environmental, social, and governance (ESG) rating required to participate in the RFP process?**

An ESG rating is not a requirement to participate but preferred in order to be evaluated on all aspects of the Solicitation.

**Q29. Could CPS please clarify if Behind-The-Meter (BTM) resources can be aggregated for providing firming capacity? More specifically, can aggregation of solar, solar + storage, customer loads (both residential and C&I), and/or natural gas gensets can be used in a bid to submit?**

Behind the meter resources do not meet the eligible product requirements stated in the RFP and therefore would not pass the Threshold Screening described in the RFP. Please be on a look out for the *FlexSTEP*<sup>SM</sup> RFP. Information related to the future RFPs can be found on the CPS Energy's bid opportunities web page.

**Q30. Is there a difference between the Firming Product types: 1) Unit contingent capacity dispatched by CPS.2) Unit contingent capacity and energy?**

“Unit contingent capacity dispatched by CPS Energy” applies to multiple products including TF, TF12 and DF. “Unit contingent capacity and energy” applies to both the TF4 and TF6 products. The difference is that CPS Energy could demand any amount of the TF, TF12 and DF products (0 – maximum MW) but only the full amount of the TF4 and TF6 products (maximum MW). So, a) is dispatchable and b) is “must take” in that CPS Energy must take the full amount of energy generated when it demands the resource.



**Q31. For the two prices required for each project, how are you valuing the basis between resource node and hub for a storage asset if it is unclear to the bidder on when the system will be dispatched?**

CPS Energy will value the basis differential for a proposed storage resource by simulating the future dispatch of the proposed resource using a production cost modeling tool. We expect that a Respondent proposing a dispatchable resource (storage or firming) will use a similar approach and/or will make reasonable assumptions as to the future dispatch in its valuation of the basis differential.

**Q32. Can you elaborate on the Access to Resource for "All Hours;" specifically, will you be giving a day ahead call notice and if not utilized, is the bidder free to use the asset on those non-call days?**

As stated in the RFP section II.A.3 Firming table line #4, CPS Energy requires access to the resource all hours of the day. Therefore, the Respondent will not be able to dispatch the resource during the non-call days.

**Q33. Section 4-D of the RFP states:**

**A Proposal must include a description of the operational control scheme for the proposed resource. CPS Energy prefers to be the Qualified Scheduling Entity ("QSE") for all resources where it will be the majority off-taker.**

**What is meant by "Operational Control Scheme"?**

Respondent is required to provide a description of how their proposed Resource(s) will be controlled and operated. Beyond specific information requested by CPS Energy in the RFP, the level of detail provided, at this stage, is at the discretion of the Respondent.

**Q34. What's the maximum dispatch per year? The RFP states that the capacity of the storage component cannot exceed the capacity of solar, does this still apply for distribution connected resources?**

Maximum dispatch has not been specified.

**Q35. Would you have a reserve margin and /or historical data available?**

Reserve margin or historical data will not be provided.

**Q36. What role will CPS Energy account managers interact with the preferred partner?**

Level of interaction with various departments will be determined at a later stage.

**Q37. What does four to six-hour day equal, specifically days in a year?**

As stated in the RFP Collective section II.A.3 Firming table line #4, four (4) to six (6) hours a day for all hours in a year.

**Q38. Are clients allowed to participate in ERCOT's menu of programs (ERS and LR) in addition to these programs sponsored by CPS?**

Please refer the FAQ document question #14 related to participation of a resource in the wholesale market.

**Q39. Who is expected to be the QSE and dispatch proposed resources?**

As stated in the RFP Collective II.D Additional Requirements, for resources where CPS Energy will be the majority off-taker of the capacity, CPS Energy prefers to be the QSE.

**Q40. Will CPS Energy allow settlement only Distributed Generation?**

Yes. As stated in the RFP section II.A.1 Solar Photovoltaics table line #9 for distribution scale resources, CPS Energy requires pricing at Distribution Generation Resource (DGR) Node, or Settlement-Only Distribution Generator (SODG) Node, and Load Zone CPS.

**Q41. Who or how would interconnect agreements be negotiated or settled?**

Refer to the RFP Collective section II.C Points of Interconnection.

**Q42. For a proposal that would be comprised of hundreds or thousands of rooftop systems in different locations does the RFP requirement to submit a different proposal for every location still apply?**

As stated in the RFP Collective section II.A.1 Solar Photovoltaics table line #7, CPS Energy requires project size at the distribution scale to be in the range of 5 to 9.95 MWac, <=10 MWac aggregate per substation. A Respondent may aggregate multiple smaller projects while meeting the minimum size requirement i.e., 5 MWac, as one Proposal.

In addition, if the proposed resource is Behind-the-meter (BTM), please refer to Q29 of the FAQ document which states that BTM resources do not meet the eligible product requirements stated in the RFP and therefore would not pass the Threshold Screening described in the RFP. Please be on a look out for the *FlexSTEP*<sup>SM</sup> RFP.

**Q43. The RFP says Distribution connected resources should assume interconnection costs of \$500,000. Does this apply to a portfolio of small (residential) distributed rooftop systems?**

As stated in the RFP section II.C Points of Interconnection, all distribution connected resources should assume estimated interconnection costs of \$500,000. Respondents actual interconnection costs may vary, the assumption of \$500,000 interconnection costs is provided for a planning estimate, pricing and terms will be finalized after the site selection, which shall reflect actual costs incurred.

**Q44. What permitting costs should we assume for a portfolio of small distributed rooftop systems?**

A Respondent in its sole discretion must evaluate the permitting costs of distributed rooftop resources. Please refer the CPS Energy Distributed Generation (“DG”) manual included in the Exhibit I of the RFP Collective.

**Q45. The RFP states that the capacity of the storage component cannot exceed the capacity of solar, does this still apply for distribution connected resources?**

No. The requirement is not waived for distribution level projects. The aggregated capacity of the storage component cannot exceed the aggregated capacity of the solar component.

As stated in FAQ Q42, a Respondent may aggregate multiple smaller projects while meeting the minimum size requirement i.e., 5 MWac, as one Proposal.

**Q46. Will CPS Energy assist in obtaining Chapter 312 and Chapter 313 property tax abatements in Bexar County?**

No. A Respondent must work directly with the taxing authority for tax abatement or incentives.

**Q47. The RFP calls for an environmental, social, and governance (ESG) Risk Rating Score it has received from Sustainalytics. Will providing evidence that such rating or equivalent is in process sufficient at the time of submission?**

An ESG rating is not required to participate but preferred in order to be evaluated on all aspects of the RFP.

Please refer FAQ Q1 and Q28.

**Q48. Can you please elaborate on Technical life?**

Technical life is the theoretical expected life of the proposed resource(s).

**Q49. Can you please elaborate on Capacity - (Ac or Dc)?**

Capacity for solar resources should be provided in AC.

**Q50. Can you please elaborate on Capacity at hour ending 19? (Is that 7:00pm?)**

Hour Ending 19 is equivalent to 7:00pm.

**Q51. Can you please elaborate on Maintenance outage rate? (referring to downtime?)**

Maintenance Outage Rate would be percentage of the year the proposed resource is projected to be unavailable because of scheduled maintenance.

**Q52. Can you please elaborate on Forced outage rate?**

Forced Outage Rate would be percentage of the year the proposed resource is projected to be unavailable because of unscheduled maintenance.

**Q53. Does an energy storage proposal as a Firming Resource need to provide the following information in the Power Advocate Portal under "Commercial Data"?**

- **Firming Resources Ramp Rate**
- **Minimum Load**
- **Allowable Starts Per Day**

Providing a response on all cells of the data sheets will assist CPS Energy in evaluating a Proposal on all aspects of the RFP. If a Respondent is proposing a firming resource, the firming factors i.e., “Firming Resources Ramp Rate, Minimum Load, and Allowable Starts per Day”, are required. Please refer to the RFP Portal for a full list of factors.

**Q54. For a Solar Project that is integrated with Storage what draft form agreements should we submit, the Draft Form Agreement for solar or the term sheet for storage?**

While there will not be a draft form agreement provided, CPS Energy expects to ultimately execute a comprehensive Solar Plus Storage Agreement. Please redline the standalone solar PPA that was provided with the RFP, and consider those relevant terms provided in the term sheet. We welcome any concise attachments that incorporate Respondent feedback regarding the term sheet provisions and other provisions Respondents request CPS Energy to consider.

**Q55. What level of detail does CPS expect with regard to asset decommissioning/site reclamation for a facility that is expected to have a useful life of two or more decades beyond the term of the PPA?**

For a facility that will not be owned by CPS Energy, our expectation is that the Respondent will describe the end-of-use plan for the new facility including its ultimate decommissioning and any required site reclamation to allow future beneficial use of the property. A formal plan is not required, but please respond with a level of detail similar to what is requested in the RFP Collective Exhibit A Project Feasibility item #11 on page #21.

**Q56. On page 21 of Exhibit A (“Information for Qualitative Evaluation”, item 12 indicates that "A Proposal must include the Draft Form Agreement relevant to the product being proposed with changes requested by Respondent (if any) shown in redline strikeout.” For a transmission-connected energy storage resource, please confirm that the appropriate document to red-line is “ 04 Term Sheet for Firming and Standalone Storage.docx”. Asking for confirmation since the Standalone Energy Storage term sheet is far less detailed than the 82-page Solar Resource PPA.**

Confirmed. For a transmission connected energy storage resource, Respondents are directed to redline, and upload document titled “04\_Term\_Sheet\_for\_Firming\_and Standalone\_Storage.docx” to the RFP Portal.

Please refer FAQ Q20.

**Q57. For projects that do not require water usage for normal operations, what information is required for proof of Water Supply?**

Please refer FAQ Q22.

**Q58. For Companies located outside the United States what safety information should be provided if terms such as EMR/RIR/BLS are not used their countries?**

For Respondents located outside the U.S. and who do not have the required safety information readily available, CPS Energy may consider corresponding safety metrics (U.S. OSHA equivalent) in the evaluation of the proposal.

**Q59. Is the minimum requirement for distribution scale solar size limit of 5MW AC firm?**

As stated in the RFP Collective section II.A.1 Solar Photovoltaics table line #7, CPS Energy requires project size at the distribution scale to be in the range of 5 to 9.95 MWac, <=10 MWac aggregate per substation. A Respondent may aggregate multiple smaller projects while meeting the minimum size requirement i.e., 5 MWac, as one Proposal.

**Q60. For Distribution Level Projects can smaller projects be aggregated on a single substation as long as they are under 10MW?**

Yes, as stated in the RFP Collective section II.A.1 Solar Photovoltaics table line #7, multiple projects in the range of 5 to 9.95Mwac can aggregate on the same substation as long as the aggregated capacity per substation is <=10MWac.

**Q61. Does CPS Energy have maps showing substations in their system that show hosting capacity that can be shared?**

With regards to hosting capacity maps – As stated in the RFP Collective section II.C Points of Interconnection, the DG interconnection process will determine areas that are connected to certain substations.

**Q62. For Community Solar Projects:**

- 1. Are there specific requirements for the off takers?**
- 2. Is there a required split between residential and commercial buildings?**
- 3. Is there are requirement for the minimum number of subscribers?**
- 4. Will CPS Energy Purchase the energy generated and then resell it to selected off takers?)**

1. Participating customers must have active CPS Energy electric accounts.

2. A certain split is not required, although CPS Energy aims to provide options for all customers.

3. There is not a minimum number of subscribers, although again CPS Energy aims to provide options to as many customers as possible.

4. CPS Energy has traditionally purchased the solar energy generated and issued credits to participating customers for our community solar programs. However, CPS Energy is open to other innovative options for the community solar programs that may be of benefit to our customers within the specifications stated in the RFP.

A Respondent can learn more about our existing community solar program at [cpsenergy.com](http://cpsenergy.com).

**Q63. Does CPS Energy have a map indicating congestion points within the CPS Grid for both Transmission and Distribution?**

With regards to congestion points within the CPS Energy distribution grid, CPS Energy does not maintain congestion maps at the distribution level.

With regards to power transmission line locations, refer to the ERCOT market information for transmission line locations.

**Q64. What ambient conditions should be used in the Technical "Data for entering the Capacity at hour ending 19"?**

Please refer FAQ Q7.

Please use reasonable assumptions for the ambient conditions at the resource site that are forecast to occur during these time periods.

**Q65. Does a company proposing a natural gas fired firming project have to provide multiple proposals for years 4 thru 10 (14 individual proposals) to indicate the flexibility to meet CPS Energy's needs?**

As stated in the RFP Collective document section III.A Submission of Proposals, a Respondent may submit multiple Proposals using the rules listed to differentiate among the Proposals.

**Q66. Will CPS Energy consider co-located DG Battery Storage projects if each 10MW project has its own Interconnection Agreement?**

As stated in the RFP Collective document section II.A.2 Energy Storage table line #7, for the distribution scale projects the aggregate size per substation  $\leq 10\text{MWac}$ . Two (2) 10MW distribution scale energy storage projects on the same substation will not meet this criterion.

**Q67. Will CPS consider Transmission Scale Battery Storage projects (50MW+) that are connected to a CPS distribution line (13.8 or 34.5 kV)?**

As stated in the RFP Collective document section II.C Energy Storage table line #8 and section II.C Points of Interconnection, transmission scale storage projects require an interconnection to the ERCOT grid or CPS Energy Bulk Electric System (BES).

**Q68. Can respondents leave blank space that are not pertinent to our specific proposal type (e.g. Natural Gas Supply if the proposal is for a Solar Resource)?**

Providing a response on all cells of the data sheets will assist CPS Energy is evaluating a Proposal on all aspects of the RFP. In its sole discretion, a Respondent may include "Not Applicable" for factors that are not pertinent to a resource type.

**Q69. For the following items, the technical data sheet the units are specified as MW and for the notes column it says "Seasonal/monthly". Is the unit label in error?**

**Heat rate at minimum load with 1 CT running**

**Heat rate at maximum load with all CTs running (with duct firing)**

**Heat rate at maximum load with all CTs running (without duct firing)**

Yes, both the unit label and the side note are in error. The correct label is Btu/kwh and the correct note is "average annual". Please note the Portal has been updated with this correction.



**Q70. What is CPS Energy’s proposed schedule/timeline from the *FlexPOWER Bundle*<sup>SM</sup> RFP and to awarding successful bidders with PPAs?**

Please refer the following link to CPS Energy December 2020 board meeting presentation, pdf page #47 titled “Accelerated Project Timeline”.

<https://www.cpsenergy.com/content/dam/corporate/en/Documents/Trustees/December%202020%20Board%20Meeting-%20Timestamped.pdf>

**Q71. We understand CPS Energy’s desire to have the project completed as soon as possible, however are there targeted project Commercial Operation Dates?**

CPS Energy does not have a preference on a “target COD” other than what is already stated in the RFP.

**Q72. Can CPS Energy provide maps that specify any of the following: 1) Substations, to include loading, 2) Load Zones and congestion.**

CPS Energy will not be providing maps for this RFP.

**Q73. Will CPS Energy consider aggregation of residential/commercial energy storage systems eligible for the *FlexPOWER Bundle*<sup>SM</sup> RFP or would they be considered *FlexSTEP*<sup>SM</sup> products?**

As stated in the RFP Collective section II.A.1 Solar Photovoltaics table line #7, CPS Energy requires project size at the distribution scale to be in the range of 5 to 9.95 MWac, <=10 MWac aggregate per substation. A Respondent may aggregate multiple smaller projects while meeting the minimum size requirement i.e., 5 MWac, as one Proposal.

Please note that all products submitted under this RFP must be in front of the meter to be in compliance with the specifications of the RFP. If a project contemplates Behind the Meter connections, please refer to FAQ 29.

**Q74. Will CPS Energy grant an extension of the Feb. 1, 2021 deadline?**

CPS Energy is not considering granting an extension for the submittal due date. If any changes are made to the due date, a notification will be shared with all Respondent(s).

**Q75. What permitting costs should we assume for a portfolio of small (residential/commercial) distributed rooftop systems?**

A Respondent in its sole discretion must evaluate the permitting costs of distributed rooftop resources. Please refer the CPS Energy Distributed Generation (“DG”) manual included in the Exhibit I of the RFP Collective.

**Q76. Is CPS Energy open to working with Respondents on Chapter 312 and Chapter 313 property tax abatements in Bexar County for our distributed systems, much like those typically availed by utility scale developers?**

CPS Energy will not be working with the Respondent(s). A Respondent must work directly with the taxing authority for tax abatement or incentives.

**Q77. What is the difference between Counterparty vs Special Purpose entity, should both be filled out?**

The Counterparty is the entity with which CPS Energy will be contracting whereas the Special Purpose Entity (SPE) is the entity that the Respondent may establish or established and the purpose of the entity is solely to own the resource. If you are creating or created a SPE, please include information regarding both, but most importantly regarding the Counterparty.

**Q78. Does CPS Energy have a position on DC coupled systems for distribution level projects?**

For this RFP, we have not stated a position on DC coupled systems.

**Q79. Will Respondents be able to DC couple a 10 MW solar and a 9 MW energy storage (as an example) behind a 9.95 MW interconnect?**

Respondent(s) will not be able to DC couple a 10 MW solar and a 9 MW energy storage (as an example) behind a 9.95 MW interconnect.

**Q80. Can CPS Energy please provide more information about what you are looking for firms to provide as a "mentoring program" in Community Stewardship item 41, and the educational funding required in Community Stewardship item 42?**

Please refer to the RFP Collective Exhibit A Community Stewardship item #41 and #42 for details about “mentoring programs” and “educational funding”.

In addition, as stated in the RFP section II.H Importance of Community Stewardship, CPS Energy takes great pride in contributing to the economic well-being of the Greater San Antonio community. We also believe strongly in working with partners that can help fuel economic growth through any combination of job creation, workforce development and capital investment in the San Antonio area and CPS Energy service territory.

**Q81. The products do not set First Delivery date requirements, does CPS Energy require to provide proof that we have started the Distribution Level Interconnection and Natural Gas Supply processes (in the case of the Firming resource)? Will CPS Energy accept a response without proof that we have started these processes?**

As stated in the RFP Collective Exhibit A Project Feasibility item #5, #6 and #7, RFP requires the Respondent to provide proof of natural gas supply and interconnection satisfactory to CPS Energy. If you are unable to provide such proof, please submit with your proposal a written document describing your plans to obtain such agreements in the future consistent with your proposed project schedule.

**Q82. Is there a process for ERCOT studies to be approved by CPS Energy for projects in its NOIE footprint?**

CPS Energy’s transmission system is part of the ERCOT grid, all new or modified generation interconnections to the ERCOT grid, i.e. CPS Energy’s transmission system, will follow the process outlined in the ERCOT Planning Guide.

**Q83. Is it correct to assume that there is no ERCOT screen requirement for DG projects inside of CPS Energy?**

Yes, there is no ERCOT screening requirement for Distribution connected generation resources. As stated in the RFP Collective section II.C Points of Interconnection, the CPS Energy Distributed Generation (DG) Manual describes the interconnection process for distribution connected resources on the CPS Energy distribution system.

**Q84. Are we to assume a fuel pass through, i.e. buyer either brings fuel or pays seller for the actual amount of fuel used, or are we to assume that the buyer pays the seller the heartrate specified in the Pricing section of the "Other Commercial Terms" table times a to-be-specified gas index?**

For purposes of a Proposal, please assume a fuel passthrough. This is consistent with the Firming Product Table in the RFP. Heat rate is shown in the Term Sheet (Other Commercial Terms section of the Term Sheet for Firming and Standalone Storage) because heat rate in some form will be used in the Agreement that CPS Energy ultimately negotiates with the seller (e.g. to incentivize the seller to maintain a low heat rate).

**Q85. In the RFP Section 2, Energy Storage, you state 2-hour minimum. Can you describe any value that CPS Energy places on longer duration? Or how CPS Energy will look at a 2-hour battery vs. a 4 hour battery?**

CPS Energy will estimate cost and value for resources as proposed and will select a diverse bundle of solutions that are determined to provide the best value to CPS Energy, considering the evaluation factors and goals provided in the RFP. CPS Energy is asking Respondent(s) to propose their best solutions under the broad specifications we have stated in the RFP.

**Q86. For Storage Pricing in the Pricing Proposal Portal Submission, there is only the ability to include a capacity price (\$ / kW-month). However, the PPA itself talks about VOM and VOM escalation. Should we just add that as another line item in the Pricing Proposal Portal Submission document?**

The proposed capacity price must be fixed (not changing) over the term of the proposed sale. The VOM price is allowed to escalate over the term of the proposed sale. Please do not enter an escalation rate for the proposed capacity price.

**Q87. The technical data sheet has a section called Firming Start which includes fuel used per start, Unit start cost, and Unit start cost (including major maintenance). What is the meaning of the start cost with and without major maintenance?**

With respect to start cost with and without major maintenance, the purpose is to identify and isolate costs that a seller may incur for starts under its combustion turbine/engine/storage major maintenance agreement which can be significant. Isolating these costs will help with our quantitative evaluation of the proposal.

For purposes of the Proposal, please enter values for the start items identified and do not include them in your VOM or fixed capacity payment. CPS Energy intends that the eventual Agreement executed for a firming product will include these as separate charges, and that CPS Energy as buyer will pay for the fuel used on a pass-through basis.

**Q88. Referencing Exhibit C, what is the average annual value (average annual energy price in \$/kWh) that is being used to derive these percentages?**

CPS Energy cannot disclose the price forecast from which the percentages were derived.

**Q89. Is CPS Energy intending on being the listed QSE for energy storage resources or would it suffice that CPS Energy can interface with the respondent to dispatch on demand?**

As stated in the RFP Collective, CPS Energy prefers to be the QSE for the resources where it will be the majority off-taker. However, a Respondent may describe other options in your description of the operational control scheme.

**Q90. Is CPS Energy open to the prospect of repurposing existent properties in the immediate area, such as decommissioned power plants, industrial sites, malls, or fuel storage areas?**

CPS Energy will consider proposals repurposing properties in the immediate area.

**Q91. Is CPS Energy open to a company developing long term leases with other companies or people to build solar and battery systems vs purchasing the property or structure?**

Yes, CPS Energy is open to a companies that have a long-term lease for property owned by others.

**Q92. Can the Respondent purchase natural gas from CPS Energy?**

Yes, a Respondent(s) can purchase natural gas from CPS Energy, however, it must go through the standard process to request new service and submit as a new construction project.

**Q93. In the quantitative analysis how will CPS Energy assign location value to the Projects? Will CPS Energy use the two POD prices provided by the Bidders and if so, will the bidders be responsible for the cost differential between the Resource POD and the North Zone or South Zone POD prices provided on a fixed price basis or will the basis differential be allowed to float with the ERCOT settlement prices between the two locations?**

As stated in the RFP, CPS Energy in its sole discretion, will assign weight and importance to the evaluation criteria. As specified in the RFP, a Respondent must specify a price for each POD which is fixed for the term of the PPA and therefore not allowed to "float".

**Q94. For Projects not located in North Zone or South Zone, does respondent get to select which node HB North or HB South to use for the second POD price or is it the intent of the RFP that for ERCOT Transmission Projects only North Zone or South Zone projects will be considered?**

As stated in the RFP, for transmission level resources the Respondent may select either HB North or HB South as the POD. Projects are not limited to only the Hub North or South zones.

**Q95. Would CPS Energy prefer the respondent operate the project? Does CPS Energy prefer toll over ownership? Would CPS Energy consider build transfer? CPS Energy have a location preference? Does CPS Energy have any preference around tenor?**

CPS Energy has not expressed a preference in the RFP. CPS Energy will evaluate proposed information and arrangements, as requested in the RFP, and will determine projects that may provide the best value. Final operational arrangements will be negotiated between CPS Energy and selected Respondent(s).

**Q96. In the Project Feasibility Technology Risk section for RFP responses, are all the technology history questions related to the specific project or can CPS Energy clarify what responses you are looking for?**

Technology Risk refers to the history of the technology overall, not the specific project. The intent is to assess the technology maturity.

**Q97. Can CPS Energy please explain in more detail what exactly is intended by the following statement: “LMP correlated with a basepoint produced by the ERCOT Security Constrained Economic Dispatch (SCED) system for the Facility at its resource Node”.**

When the ERCOT SCED system determines that a resource needs to reduce output to solve transmission congestion, the LMP will be lower than the offer price and the MW basepoint will indicate the output the resource needs to follow. This applies to both node and Hub delivered energy.

**Q98. Relative to economic curtailment by CPS Energy/Buyer, can you please confirm that CPS Energy can invoke economic curtailment only “for any negative market price at the Delivery Point for the Facility”?**

With regards to “negative market price”, please refer to section 3.5 of the draft form Solar PPA (transmission level standalone solar).

**Q99. Can CPS Energy please confirm that the disconnect and feeder protection equipment would be furnished and maintained by the DG Owner?**

As per the DG Manual, DG Customer shall be responsible for all necessary protective equipment on Customer side of the Point of Delivery (POD) including possibly metering equipment in accordance with all adopted codes and standards. However, any equipment required from the POD to the substation will be determined by the review process. The equipment required would be the requestor's cost and maintained and furnished by CPS Energy.

**Q100. Does CPS supply the meter and associated equipment for DG systems of greater than 250kWac?**

CPS Energy will furnish and maintain the necessary metering equipment. However, all necessary metering equipment will be purchased by the DG owner. Please refer the DG manual for more details.

**Q101. Can CPS Energy please clarify whether the PVSyst 8760 data for PV + Storage projects should include storage charging and discharging within the 8760, or if we should exclude storage operations from the 8,760?**

The PVSyst 8760 data for PV + Storage should include the storage charging and discharging within the 8760.

**Q102. What are CPS Energy's standard assumptions that we should be using for Buyer and Seller credit support?**

The two standard forms of credit we generally require are either a letter of credit or a cash deposit.

**Q103. Does CPS Energy prefer a project in either the North hub or South hub, when in either case, the project will NOT be in CPS' territory?**

CPS Energy does not state a preference to either the Hub North or the Hub South in the RFP.

**Q104. Can CPS Energy please confirm that Annual Energy Output in the commercial data tab and 8760 generations in technical data tab is required for year 1 inverter level output (after adjusting for unavailability and other losses)?**

Confirmed. Annual Energy Output in the commercial data tab and 8760 generations in the technical data tab is required for year 1 inverter level output (after adjusting for unavailability and other losses).

**Q105. For proposed community solar project, are the Respondents to find all subscribers for the project?**

The Respondent would be responsible for signing up subscribers for any community solar project, but CPS Energy may assist with marketing the project.

**Q106. How do respondents provide "other" information that might help CPS understand the benefit of a bid?**

Please include such information in the documents that must be uploaded as identified in the Portal. Please do not add any additional documents.

**Q107. Do we have insight if the term "Firm" in addition to the physical nature of the transaction? For instance, if we go with the 50 MW 4-hour structure, can CPS Energy elect to buy 25 MW for any particular?**

The term "Firm" does not mean a fixed number of MWs per hour. CPS Energy may elect to dispatch the resource up to the contract maximum MW at any time.



**Q108. How does a Respondent determine the losses on a distribution interconnect between the resource POD and the Load Zone-CPS Energy POD?**

Load Zone is defined in the ERCOT protocols. Refer to the ERCOT protocols for more information. CPS Energy cannot advise the Respondent(s) on the methods to determine losses between the points of deliveries.

**Q109. Does the Respondent need to be the contracting counterparty to CPS Energy?**

The registered Respondent doesn't have to be the contracting counterparty, but the information provided for evaluation needs to be the contracting entity's information. For example, a project level Special Purpose Entity (SPE) can be the registered Respondent of the signing parent entity. The SPE (registered respondent) will need to provide the Parent's financial information for CPS Energy to evaluate. The Parent's financial information should include the SPE's financial information.

**Q110. Will CPS Energy accept proposals from existing wind generation?**

A wind project does not meet the requirements stated in the RFP.

**Q111. Can CPS Energy please confirm that long duration storage proposals (12 hours) is considered a "firming"?**

Confirmed. A storage product with a duration of 12 hours may fulfill the Transmission Scale Long-Duration Storage based Firming 12 hours product shown in the Firming Table in the RFP.

**Q112. What type of proof does CPS Energy require for interconnection screening study initiation?**

On the transmission side, we will need the project name or ERCOT Interconnection Request (INR) number, provide the ERCOT screening study if its available. If not available, please send the date that ERCOT started the screening study.

On the distribution side, we need the Independent Engineer (IE) to complete the application for a screening study, if they have already completed an application, provide name and we can check our internal study process.

**Q113. What is CPS Energy’s predominant or primary use case/duty cycle for standalone battery storage?**

CPS Energy has not indicated preferences beyond the specifications we have provided in the RFP. CPS Energy requests Respondent(s) to propose their best solutions within the specifications provided in the RFP.

**Q114. On the Data tabs, how should the supplier input information for the storage components when the bidder is proposing a solution other than Solar or Battery Storage?**

Assuming a Respondent(s) is proposing a combination technology with a storage component, all data/information in the "storage" section of the commercial, technical, and pricing tabs should be filled out for the storage component of your project.

If a Respondent(s) thinks that additional clarification may be needed to understand a technology, please include an additional document (you may use the Commercial and Administrative document type) to provide any background you feel necessary. Please note, CPS Energy cannot guarantee that additional information will be considered in evaluation but will make every attempt to do so.

**Q115. The product choice for Transmission Scale Storage New does not allow proposing different duration products hence a 2-hour system and 4-hour system would obviously be different but would have identical proposal names if coming from the same resource. Is that OK to have the same proposal name?**

If a Respondent(s) is submitting a resource as a Transmission Scale Storage Product (TS), the duration is a 2hr minimum and we request that the Respondent(s) to make this differentiation in the "Product Short Name" portion of the file name. Ex. "Proj2hr" and "Proj4hr".

If a Respondent(s) is submitting these projects under Transmission Scale Firming (TF), then there is an option for "TF4N\_" and "TF6N\_" etc. in the Proposal Naming tool.

**Q116. Is a purchase option required for each proposal to CPS Energy?**

A purchase option is not required. Please refer the RFP Collective section II.G Purchase Option for more details.

**Q117. Will CPS Energy consider a partial tolling option?**

Partial tolling offers may be considered as part of this RFP.

**Q118. For solar and solar & storage facilities, please state whether documentation of CO2 and NOX emissions is necessary. If so, what qualifies as documentation?**

If a Respondent(s) expects emissions to be zero, please provide that as a value. A word document stating the expedited emissions levels that can be verified at later stages in the process can suffice. Please take into consideration any backup energy sources or ancillary needs that may result in GHG emissions.

**Q119. For a storage only response, where does the Respondent enter the VOM pricing with escalator?**

Please note there is an inconsistency between the Storage Product Table in the RFP Collective and the price information required in the Power Advocate RFP Portal. The RFP Collective section II.A.2 Storage Product Table specifies that a Respondent may propose a VOM price and escalation for the Storage products whereas the Portal does not allow such an entry. The Portal governs in this case.

Proposals for Storage products may NOT include a VOM price and escalator. This applies to both Stand Alone storage and Storage proposed for Firming resources. A VOM price and escalator *is* allowed for non-storage based Firming resources.

**Q120. We have multiple proposals that have common documents, can we just include it in the first proposal or do we need to include it in all proposals? If it is required to be included in all proposals, is there an way to copy information from one proposal to the other proposals?**

With regards to the functionality to copy data from one Proposal to another, Power Advocate currently does not support the functionality to “copy” data over from a different tab. Please upload the documents separately with different naming conventions for each Proposal. That will ensure that the documents can easily be linked to the relevant Proposal and tracked through the CPS Energy Proposal evaluation process.

**Q121. In the Solar Technical Spreadsheet the Mean Repair Time is requested in percentage units, is this correct?**

Thank you for the observation, this is being corrected to be expressed in hours.

**Q122. What if a respondent needs additional tabs beyond the 32 provided in the Power Advocate Portal?**

If a Respondent needs additional tabs beyond those already provided in PowerAdvocate, please download the summary spreadsheet available in the upper right corner of each of the Commercial, Technical and Price tab and enter information for the additional proposals into that spreadsheet and upload the spreadsheet to PowerAdvocate.