

MARIN ENERGY AUTHORITY

REQUEST FOR PROPOSALS



FOR

**FULL REQUIREMENTS ENERGY, RENEWABLE
ENERGY AND RESOURCE ADEQUACY
CAPACITY**

**RFP RELEASE DATE: MAY 11, 2009
RESPONSE DEADLINE: JULY 20, 2009 BY 2:00 p.m.**

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Overview

The Marin Energy Authority (“MEA”) is seeking proposals for electric power supply services to serve retail electric customers that will participate in a Community Choice Aggregation (“CCA”) Program (“CCA Program” or “Program”) promoting the use of renewable energy to serve select communities in Marin County, California. The MEA and residents of the Marin Communities refer to this CCA Program as Marin Clean Energy (“MCE”).

MEA, a joint powers authority and a public entity organized under the laws of the State of California, was created pursuant to the Government Code of California and a Joint Powers Agreement to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs on behalf of its membership. Membership in MEA includes one county and eight cities within Northern California, including the cities of Belvedere, Fairfax, Mill Valley, Ross, San Anselmo, San Rafael, Sausalito and Tiburon and the County of Marin (“Member Agencies” or “Members”).

The Member Agencies have each adopted an ordinance electing to implement through the MEA CCA, an electric service enterprise agency available to cities and counties pursuant to California Public Utilities Code Section 366.2.

By implementing MCE, MEA aspires to provide a highly renewable power supply to its customers through two distinct electric service offerings/products: 1) “Light Green” – a 25% (or greater) renewable power supply with retail generation rates at or below comparable rates charged by the incumbent electric utility, Pacific Gas & Electric Company (“PG&E”); or 2) “Deep Green” – a voluntary, 100% renewable power supply with retail generation rates reflective of actual procurement costs. These two distinct service offerings/products, Light Green and Deep Green, are described in additional detail within the Member Agencies CCA Business Plan, which was published in April 2008 and is available on MEA’s website: www.marinenergyauthority.org. Prospective respondents should keep these two service offerings/products in mind when developing proposals, as these service offerings/products are critical to the achievement of MEA’s expressed objectives.

Through this RFP process, MEA is seeking proposals to reliably meet the electric supply and operational requirements of a CCA Program serving the region with a substantially renewable supply portfolio and aggressive energy efficiency program, potentially leveraging MEA’s capability as a public agency to utilize tax-exempt financing to reduce total power costs for its Member Agencies. Offers are requested for services commencing in May 2010. The RFP seeks

proposals for the supply of full-requirements electric services, including all scheduling services necessary for delivery of firm electric energy (at PG&E's Load Aggregation Point, as defined by the California Independent System Operator ("CAISO")) to meet the varying needs of participating retail customers. Proposals are also requested for renewable energy and resource adequacy capacity.

At full enrollment, total potential peak demand for the load aggregation program is projected to be approximately 170 MW; total potential annual energy requirements are projected to be approximately 900 GWh; and total potential retail service accounts are projected to be approximately 80,000.

MEA will be utilizing responses to this RFP to select qualified suppliers for its CCA Program and to ascertain the cost and availability of renewable energy sources needed to supply the CCA. Respondents *must* bid to provide the Products requested in this solicitation in accordance with the two pricing variations that are described in the Proposal Requirements. One or more suppliers may be selected to provide the requested Products.

The RFP will be conducted in accordance with the schedule set forth below. Final supplier selection will be contingent upon city and county authorizations to proceed with the CCA Program.

RFP Schedule

Release RFP	May 11, 2009
Pre-Bid Meeting	May 27, 2009
Deadline for Question Submittal	June 10, 2009
Responses Due	July 20, 2009
Notification of Short List	August 11, 2009
Short List Interviews	Week of August 17, 2009
Contract Negotiation	August - November, 2009
Contract Approval and Execution	February 2010

MEA Background

Beginning in 2004, the Member Agencies and the two water districts within the County began investigating formation of a CCA Program, with the following primary objectives: 1) promoting use of renewable energy resources; 2) reducing emissions of greenhouse gases in the region; 3) promoting energy efficiency; and 4) creating local economic benefits. A feasibility study for a CCA Program serving the region was completed in March 2005, and an independent review of the feasibility study and a supplemental risk analysis were completed in August 2005 and May 2006, respectively.

After nearly a year of collaborative work by representatives of the Member Agencies, independent consultants, local experts and stakeholders, the Member Agencies released a business plan in April 2008 describing the planned organization, governance and operation of the Program. Consistent with the business plan's described organizational structure, the MEA was formed in December 2008 to implement the CCA Program and other energy-related programs aimed at significant GHG reductions. As described in the business plan and consistent with the laws and regulations governing CCA, all current PG&E electric customers within the MEA jurisdictional boundaries will be automatically enrolled in the MEA Program and served by MEA except for those customers who affirmatively elect to "opt-out" of the Program and remain bundled service customers of PG&E. PG&E will continue to provide distribution, metering and billing services to MEA customers.

Through the implementation of a new CCA Program, MCE, MEA plans to expand the energy choices available to eligible customers by offering a 100% renewable energy product known as the "Deep Green" option and a 25% renewable energy product known as the "Light Green" option. All customers will have the choice of purchasing 100% renewable energy through MEA, 25% renewable energy through MEA, or exercising their right to opt-out of the Program to continue to purchase the standard resource mix offered by PG&E. MEA's long-term goal is to supply its customers entirely with clean, renewable energy, subject to economic and operational constraints. MEA desires to promote use of local energy resources to the greatest practical extent, improve energy efficiency in the region and promote local economic development.

MEA and its future customers expect that retail rates associated with the Light Green option will be set at or below comparable rates charged by PG&E. Rates associated with the 100% renewable, Deep Green option may exceed comparable rates charged by PG&E based on actual renewable energy procurement costs.

By issuing this RFP, MEA is seeking reliable electric supply, including specified quantities of renewable energy, for an anticipated initial 5 year term. During this initial term, MEA will be identifying, developing and/or acquiring rights to renewable energy facilities that will ultimately meet a large portion of MEA's renewable energy requirements. To the extent that MEA identifies, develops and or controls one or more commercially operable renewable energy facilities during the initial term, MEA will require the selected energy service provider(s) to effectively integrate/substitute electric energy produced by such facilities in the program's energy supply portfolio, subject to reasonable terms for disposition of any hedging costs incurred by the supplier. MEA anticipates future solicitations will be issued for renewable energy through facility ownership or power purchase agreements with ownership options.

Additional information about the Marin Energy Authority can be found at www.marinenergyauthority.org.

Requested Products and Services

The energy supply services being requested under this solicitation are described below.

1. Full Requirements Energy

The requested Full Requirements Energy product comprises:

1) Shaped Energy – all electric energy requirements associated with the customer service accounts that are enrolled in the MEA Program. The supplier will be obligated to deliver energy in quantities sufficient to meet the needs of participating customers based on data obtained from the meter readings supplied by PG&E who will be the distribution utility serving MEA customers. The supplier shall be responsible for delivering the Full Requirements Energy to the PG&E Load Aggregation Point ("Delivery Point") as defined by the CAISO. The supplier shall shape Energy deliveries and provide load balancing services to match the hourly load profile of the MEA Program. In developing a resource supply portfolio to support MEA's energy requirements, respondents should consider that MEA will not accept contracts for energy deliveries from coal or nuclear generating resources (recognizing the realities of spot market energy sources);

2) Ancillary Services – all ancillary services required in supplying the Shaped Energy to the Delivery Point. Ancillary Services shall include all reserves and other such services required by the CAISO;

3) Distribution Losses – all distribution losses incurred in supplying the Shaped Energy to the Delivery Point. Distribution losses shall be determined in accordance with the distribution loss factors published by PG&E; and

4) CAISO Scheduling Coordination – all CAISO interface services, which includes the filing with the CAISO of all schedules and meter data reports required to be filed by the Scheduling Coordinator for the meters enrolled in the Program, and the submission of schedules and bids for the Shaped Energy, Resource Adequacy Capacity and Renewable Energy in accordance with the obligations of a Scheduling Coordinator as defined by the CAISO.

2. Resource Adequacy Capacity

MEA seeks proposals that include Qualifying Capacity needed to satisfy the MEA's Resource Adequacy Requirements ("RAR") for both CAISO System and Local RAR resources. Qualifying Capacity will be determined by the most recent CAISO rating of generating units for resource adequacy purposes. System RAR capacity is needed to meet 115% of the MEA forecast monthly peak demand (MW). A portion of the Capacity supplied shall qualify as Local Capacity in quantities sufficient to satisfy the Local Resource Adequacy Requirements applicable to MEA. Local RAR capacity is required for the PG&E "Greater Bay Area" and the "Other PG&E" local capacity areas.

3. Renewable Energy & Energy Efficiency

MEA seeks proposals that include energy and renewable attributes from qualifying renewable resources that meet the eligibility criteria for renewable resources ("Eligible Renewable Resources") published by the California Energy Commission ("CEC"). These include power from wind, small hydroelectric (30 MW or less), geothermal, biogas including landfill gas, digester gases and gas conversion or gasification technologies, direct combustion biomass, biodiesel power producing facilities, photovoltaic, solar thermal, fuel cells using eligible renewable fuels, qualifying municipal solid waste conversion, tidal current, ocean wave, and ocean thermal technology.

MEA has a strong preference for CEC Eligible Renewable Resources but may also consider limited, incremental purchases of energy and renewable attributes

from renewable resources that are not certified by the CEC as Eligible Renewable Resources (“Non-Eligible Renewable Resources”). Such resources include, but are not limited to, unbundled Renewable Energy Certificates not meeting the Renewable Energy eligibility definition of the CEC, energy from hydroelectric facilities larger than 30 MW, and renewable resources located in other parts of the Western Electricity Coordinating Council (“WECC”) area. All proposals that include energy from Non-Eligible Renewable Resources must provide information regarding fuel source, technology, facility location, and delivery arrangements. Non-Eligible Renewable Resources will also be required to register with the Western Renewable Energy Generation Information System (“WREGIS”) for tracking and verification.

Proposed power supplies that include bundled Environmental Attributes/Renewable Energy Certificates associated with energy deliveries from CEC Eligible Renewable Resources will be given preference over unbundled Renewable Energy Certificates, as described in the Evaluation Criteria, below.

For purposes of this solicitation, Local Renewable Resources are defined as renewable resources generally located within northern California (NP 15), including all counties within this region as well as portions of Monterey, San Benito, Fresno, Tulare and Inyo counties. The following map generally depicts the Local Renewable Resource area, which MEA will apply in evaluating the location of proposed renewable energy resources. Proposed power supplies that include Local Renewable Resources will be given preference over those containing remotely located resources as described in the Evaluation Criteria, below. While MEA has developed the aforementioned broad-based geographic guideline for Local Renewable Resources, any renewable generating resource(s) located within the jurisdictional boundaries of MEA’s Member Agencies will be given additional preference during proposal evaluation. However, MEA will not preclude renewable resources located outside of NP15 or the State of California from bidding into this solicitation, so long as the respondent is capable of delivering to the prescribed Delivery Point.

Marin Energy Authority Local Renewable Resource Area



Energy Efficiency

Consistent with its CCA Business Plan, a key focus of MEA's Program will be the development and implementation of an Energy Efficiency and Demand Response program for MEA's Members. The annual load forecast, presented in Table 1 of the attached MEA Bid Workbook, reflects Energy Efficiency (EE)

penetration within the Member Communities. In general, MEA plans to achieve EE savings through an internally administered EE program, which will focus on EE savings within the jurisdictions of its Member Agencies, or through an EE program proposed and administered by one or more respondents. These savings will supplement or replace EE achieved through programs administered by the incumbent utility, which are funded by ratepayers through the collection of a non-bypassable Public Goods Charge. To promote MEA's achievement of EE savings, MEA strongly encourages prospective bidders to propose creative solutions that will allow MEA to maximize EE within its Member communities. Such proposals may include structural recommendations for MEA's EE program, specific EE enhancements that will promote savings within the Marin Communities, financing proposals that will utilize/leverage MEA's tax-exempt borrowing capabilities and/or professional services related to the administration of MEA's EE program as well as other programmatic elements.

Delivery Term

Varying service and delivery terms are requested, beginning in May, 2010. Proposals must address a minimum term length of five years, commencing on May 1, 2010 and concluding on April 30, 2015; longer-term proposals will be considered.

Proposal Requirements

All proposals must adhere to the following requirements in order to be considered for selection:

1. Respondents must be certified by CAISO as a scheduling coordinator, or must put forward a certified scheduling coordinator that will be responsible for scheduling loads and resources under the proposal. If the respondent is not a certified CAISO scheduling coordinator and will be putting forward a third-party to serve in this capacity, MEA will require these respondents to submit proposals that are co-signed by the anticipated scheduling coordinator, verifying the intended business relationship and the anticipated scope of services to be provided.
2. Proposals must identify the proposed sources of power supply, including resources that will be used to fulfill the renewable portfolio standards requirements and the resource adequacy reserves in compliance with the CPUC's and/or CAISO's resource adequacy standards. Proposals must describe whether electricity would be provided from generation owned by

the respondent, obtained under long-term contracts, obtained under short-term contracts and spot market purchases, and/or provided from generation developed by the respondent and owned by MEA. Sufficient information regarding resource type and location must be provided to determine whether the resources qualify to meet the California Renewable Portfolio Standards (RPS).

3. Proposals must include a description of the proposed invoicing process, including timelines for when payments would be due to the supplier for electricity purchases by MEA. Customer usage data will be available on a meter read cycle as described in the utilities' community choice aggregation tariffs (Rule 23).
4. All proposals must include pricing for Variation 1 or Variation 2 as specified below. Pricing proposals for Variation 3 are strongly encouraged but are not required.
5. For all renewable energy purchased by MEA, the supplier shall provide monthly all Environmental Attributes and Renewable Energy Certificates, evidencing that MEA has exclusive rights to the Environmental Attributes/Renewable Energy Certificates.
6. Proposals must address a minimum term length of five years, commencing on May 1, 2010 and concluding on April 30, 2015; longer contract terms will be accepted.
7. All proposals must indicate the date after which the offered prices are no longer valid and subject to re-pricing.
8. Proposals must accommodate and include proposed terms for the integration/substitution of electric energy produced by renewable generating facilities owned and/or controlled by MEA.
9. MEA reserves the right to negotiate with any bidder and to engage in simultaneous negotiations with multiple bidders.
10. These requirements do not preclude proposals related to Energy Efficiency.
11. MEA reserves the right to reject all responses related hereto.

Variation 1 – Fixed Price Load Following

1. Prices must be all-inclusive, except for distribution losses, which shall be charged based on actual distribution loss factors published by PG&E. The offered price shall include, without limitation, costs associated with delivering Shaped Energy and Renewable Energy to the Delivery Point, transmission congestion, capacity, reserves, ancillary services, independent system operator fees, scheduling fees, and imbalances charges.
2. Respondents shall provide separate pricing for both the Light Green (minimum 25% renewable power supply) and Deep Green (100% renewable power supply) products/rate options.
3. All pricing proposals for Variation 1 must state fixed prices per kWh for each of the seven customer classes set forth in Table 1 and for all customer classes combined. Prices must be firm, fixed price offers for the associated contract term.
4. Prices must be provided for each year from 2010 through 2015. Prices may optionally be provided for terms beyond 2015, but must also provide annual pricing if offered. Prices for 2010 should reflect deliveries over a partial year period, from May through December, and prices for 2015 should reflect deliveries from January through April. Prices for all other years should reflect a full calendar year basis.
5. Pricing proposals for Variation 1 must be applicable to the actual Energy Requirements of the customer base that ultimately enrolls in the Program and must not include volumetric bands or adjustments.
6. All responses for Variation 1 must include a proposal that conforms to Sample Bid Sheet A.

Variation 2 – Fixed Price Banded Volumes

1. Pricing proposals for Shaped Energy must be based on the load shape(s) in Table 4 of the attached Excel workbook ("MEA Bid Workbook"), and must offer fixed prices per kWh for each of the seven customer classes and for all customer classes combined. Shaped Energy prices must be firm, fixed price offers for the associated contract term and volumes. Fixed prices shall apply to all Energy Requirements within +/- 5% of the monthly volumes shown in Table 4 of the MEA Bid Workbook. Volumes outside of the 10% bandwidth

shall be priced at the load-weighted average of hourly CAISO prices for the PG&E Load Aggregation Point during the month.

2. Ancillary services costs and other charges assessed by the CAISO shall be directly passed through to MEA with no markup. Proposals must include a good faith estimate of these costs on a \$/MWh basis.
3. Resource adequacy pricing shall specify the \$/KW-month for system RAR capacity and local RAR capacity. Fixed prices shall apply to all RAR Requirements within +/- 5% of the monthly quantities shown in Table 6 of the MEA Bid Workbook. Quantities outside of the 10% bandwidth shall be priced at prevailing market prices for RAR capacity during the month.
4. Renewable energy pricing shall specify the \$/KWh premium, relative to the Shaped Energy price, for both Qualifying Renewable Energy and Non-Qualifying Renewable Energy. Fixed prices shall apply to all Renewable Energy Requirements within +/- 5% of the annual volumes shown in Table 7 of the MEA Bid Workbook. Volumes outside of the 10% bandwidth shall be priced at prevailing market prices for Renewable Energy during the year.
5. Scheduling coordinator costs shall specify the \$/MWh price of performing this service on behalf of MEA, exclusive of charges passed through from the CAISO.
6. Prices should not include adjustment for distribution losses, as these shall be determined based on the actual distribution loss factors published by PG&E.
7. All responses for Variation 2 must include a proposal that conforms to Sample Bid Sheet B. All of the above components must be included in the proposal.
8. Prices must be provided for each year from 2010 through 2015. Prices may optionally be provided for terms beyond 2015, but must also provide annual pricing if offered. Prices for 2010 should reflect deliveries over a partial year period, from May through December, and prices for 2015 should reflect deliveries from January through April. Prices for all other years should reflect a full calendar year basis.

Variation 3 - Alternative Pricing Proposals

While respondents must use the pricing instructions above for Variation 1 and Variation 2 offers, respondents are also strongly encouraged to present

alternative pricing proposals for each Product that the respondent believes would assist MEA in achieving its goals to supply Renewable Energy to its customers at competitive rates and maximize EE savings. Proposals that feature combined fixed and indexed prices, caps and collars, ladder hedges, pass-through of certain costs, indexing to the applicable PG&E rates, or other creative pricing proposals are strongly encouraged. The focus should be to minimize risk to MEA while allowing the provision of competitive rates for MEA's customers relative to the offered resource mix and bundled rates charged by PG&E. Alternative proposals may also specify mitigation mechanisms for volumetric risk, including those associated with customer opt-outs and participation in the Deep Green and Light Green options.

Regarding energy efficiency, MEA strongly encourages prospective bidders to propose creative solutions that will allow MEA to maximize EE savings. Such proposals may include structural recommendations for MEA's EE program, specific EE enhancements that will promote savings within the Marin Communities, financing proposals that will utilize/leverage MEA's tax-exempt borrowing capabilities and/or professional services related to the administration of MEA's EE program as well as other programmatic elements.

Respondents are encouraged to present proposals that include options for incremental purchases of Renewable Energy and options for partial or full ownership of renewable resources by MEA. For proposals including options for partial or full ownership of renewable energy resources by MEA, the respondent will be responsible for all consulting, expert and legal costs related to compliance with applicable CEQA and/or NEPA requirements that may result from project development activities. This term will be reflected in the award of any related contract.

Of particular interest are proposals that minimize renewable power supply and energy efficiency costs by leveraging MEA's capability as a public agency to utilize tax-exempt financing to facilitate renewable asset ownership and/or offer EE program incentives. To the extent that MEA identifies, develops and or controls one or more commercially operable renewable energy facilities during the initial term, MEA will require the selected energy service provider(s) to effectively integrate/substitute electric energy produced by such facilities in the program's energy supply portfolio. Proposals that include a significant local Renewable Energy resource element are also strongly encouraged. Respondents may propose a different timeline for achieving MEA's renewable energy goals if justified by resource availability, cost and/or other relevant considerations.

Proposals that include a financing component or external sources of funding, other than the offered price of energy, must specify all terms and conditions of such financing and must include a detailed description of the underwriter's financial, technical and operational capabilities. Proposals that include EE or distributed generation must include specific information on the measures or resources being proposed; the timeline for deployment; any subcontractors being relied upon for completion of the work; committed energy savings and the basis for the calculated energy savings; a measurement and evaluation methodology; and the funding mechanism for the EE and/or distributed generation.

Projected Energy and Capacity Requirements

Pursuant to the statutes and regulations governing CCA, every electric customer within the jurisdictional boundaries of the Member Agencies would be automatically enrolled in the Program unless the customer affirmatively notifies the distribution utility of its intention to remain a bundled utility customer (opt out). Service will be offered to all eligible customers, and customers may be enrolled in phases during 2010-2011. The specific phase-in plan and schedule will depend in part upon responses to this RFP and ensuing negotiations with selected suppliers. MEA may contract for electric supply services for each customer class separately or in combination.

The projected electric load requirements per customer class shown in Table 1 are based on historical MEA jurisdiction-wide data provided by PG&E. Summary customer load profiles and load projections for the anticipated Delivery Term are contained in the MEA Bid Workbook. This data is provided for guidance in bidding, but MEA makes no representations or warranties with respect to the accuracy of this information and there shall be no acceptance of liability or responsibility to any entity resulting from the provision or use of this information.

The figures in Table 1 do not contain any adjustments for anticipated customer opt-outs. The MEA Bid Workbook contains both unadjusted data and MEA's projections for accounts, MWh and MW, adjusted for anticipated opt-out rates and participation in the Deep Green and Light Green Program options. Customers currently served under direct access contracts are excluded from the adjusted and unadjusted data, although such customers would also be automatically enrolled unless they explicitly opt-out. Respondents should consider that the Product quantities actually purchased may be different than those shown in Table 1 and the MEA Bid Workbook.

**Table 1: Potential Retail Sales (pre opt-out, excludes direct access customers)
Projected for 2011**

PG&E Service Area

Customer Class	Accounts	Projected Energy (MWh)	Demand (MW)
Residential	69,662	519,604	122
Small Commercial.	8,318	151,871	32
Medium Commercial	707	145,224	32
Large Commercial	105	66,961	11
Industrial	9	52,630	8
Street Lights	401	5,943	2
Agricultural	172	6,312	2
Total ¹	79,375	948,544	178

Hourly load profiles per customer class (based on PG&E's tariffs) are available on the PG&E internet web site:

http://www.pge.com/notes/rates/006f1c4_class_load_prof.shtml.

Table 2 provides a mapping of customer class names used in Table 1 to the PG&E customer class profiles/tariffs.

Table 2: Customer Class Mapping to Static Load Profiles

Customer Class	PG&E Class Profiles/Tariffs
Residential	E-1
Small Commercial	A-1, A-6
Medium Commercial	A-10
Large Commercial	E-19
Industrial	E-20
Agricultural	AGRA, AGVA, AG1A, AG4A, AG5A, AG1B, AG4B, AG5B
Street Lights	LS-1, TC-1

Minimum Renewable Portfolio Requirements

The respondent will be responsible to ensure that its offer accounts for the percentage of annual retail sales composed of Eligible Renewable Energy to meet

¹ Class demand shown is the class coincident peak, and total demand shown is the system coincident peak.

the prescribed tariff options established by MEA. Necessary eligible renewable energy will be determined by MEA customer choices between the 25% Renewable Energy content Light Green option and the 100% Renewable Energy content Deep Green option. Respondents should consider that the volumes of Renewable Energy required by MEA may vary due to actual customer selection of the Light Green and Deep Green options.

As a condition of contract, suppliers will be required to provide all information necessary for MEA to demonstrate compliance with the statewide Renewable Portfolio Standards, in accordance with the rules established by the California Public Utilities Commission applicable to Community Choice Aggregators.

Evaluation Criteria

In addition to the aforementioned minimum proposal requirements (pages 10 and 11), all of which are mandatory, bids will be evaluated based on the following non-exhaustive list of factors:

- Financial viability of respondent and proposed financing plan, including structuring options for tax purposes.
- Operational experience of respondent and of key personnel, including a description of similar services, number of times provided, years of experience and volume of energy supplied; respondents should provide a minimum of three related references with the following information for each reference – organization, name of contact, phone number of contact, title/role of contact and a description of services provided.
- Reliability and environmental attributes of proposed power supply, including the anticipated fuel source(s) associated therewith; preference will be given to respondents that demonstrate supply portfolios with the lowest projected level of total emissions.
- Price - evaluations will be conducted based on resultant Program rates compared to bundled distribution utility rates over the contract term.
- Demonstrated understanding of Program requirements through the creativity, responsiveness, and comprehensiveness of the proposal, including discussion of respondent's sustainable business practices.
- Use of local renewable resources; use of CEC Eligible Renewable Resources and bundled Environmental Attributes/Renewable Energy Certificates in meeting MEA's prescribed renewable energy requirements.
- Quantifiable demand reductions (e.g. energy efficiency savings, conservation, load interruption, demand response, etc.), as demonstrated by the respondent, will receive strong preference during proposal evaluation.

- Performance guarantees for technologies being proposed and for supplier's obligations contained within its proposal.

MEA reserves the right to consider other factors than those specified above and to request additional information from respondents as needed to assist in selecting the proposal(s) for further consideration. Through issuance of this RFP, MEA makes no commitment to any bidder that it will be awarded a contract to provide the solicited services. MEA reserves the right to discontinue this RFP process at any time for any reason.

Financial and Operational Capabilities

The respondent must provide sufficient evidence of financial, technical and operational capabilities for the performance of the requested services.

The respondent or any guarantor must provide the following:

- Audited financial statements from the previous two years or a weblink where such information is accessible.
- If available, a credit rating from two of the following: Standard & Poors, Moody's, or Fitch Investor Services from the most recent rating agency report.

Respondents should provide a plan for financing the acquisition or development of the supply options contained within their proposal, including, if available, demonstration of access to reasonable levels of performance security commensurate with provision of the requested services.

Respondents should demonstrate their qualifications in providing similar electric services within the CAISO control area.

Respondents should provide references for current and/or prior agreements where the respondent has provided similar services to load serving entities or retail customers, preferably within California.

Respondents should describe any applicable sustainable business practices, policies, or programs it has adopted and adheres to in the conduct of its business operations.

Respondent Proprietary Information

Information submitted in response to this RFP will be used by MEA or its designated representatives, including consultants, solely for the purpose of evaluating the proposal. Proprietary data should be specifically identified on every applicable page of the respondent's proposal; respondents should mark or stamp applicable pages as "Confidential" or "Proprietary." Reasonable care will be exercised so that information clearly marked as proprietary or confidential will be kept confidential, except as required by law or regulatory authority. MEA and its employees and consultants will not be liable for the accidental disclosure of such data, even if it is marked.

Proposal Format

Proposal information should be organized into the following sections:

Introduction and Executive Summary - Briefly describe the firm, its organization, key personnel, and operations, and provide similar information for any third parties that would be relied upon to provide the proposed services.

Description of Proposed Services - Describe the proposed services and power supply sources.

Alternative Proposal(s) (if applicable) - Describe any alternative proposals for electricity pricing (Variation 3) and explain the benefits of the proposed approach to MEA and its customers.

Financial, Technical, and Operational Qualifications - Demonstrate the firm's financial viability, qualifications, and experience in providing the proposed services. Include supporting financial statements, credit reports, references, description of sustainability practices and other relevant information.

Bid Forms - Complete the bid forms for Variation 1 and Variation 2, as appropriate. Provide similar detail for any alternative pricing proposals offered for Variation 3.

Reservation of Rights

MEA reserves the right to change the requirements, due dates, and other Program requirements as may be necessary for the development of the overall Program.

Proposal Delivery

Proposals must be received by 2:00 PM Pacific Time on July 20, 2009. Each respondent should provide eight (8) *double-sided* copies of its proposal at the time of submittal. Receipt by MEA of an electronic copy by the due date will satisfy this requirement, provided that MEA receives eight (8) *double-sided* hardcopies by the close of business two business days following the proposal due date. Copies of the proposal should be sent to the following addresses:

Marin Energy Authority
Request for Proposal Response
Attention: Jamie Tuckey
3501 Civic Center Drive, Room 308
San Rafael, CA 94903

Phone: 415-499-6269
Fax: 415-499-7880
Email: **jtuckey@co.marin.ca.us**

Entities planning to attend the optional pre-bidders conference, which will be held at the address shown above, must pre-register by contacting Ms. Jamie Tuckey at 415-507-2813.

Inquiries regarding this RFP may be directed to Ms. Jamie Tuckey at 415-507-2813. Specific questions about the RFP should be sent via e-mail to **jtuckey@co.marin.ca.us** no later than June 10, 2009. A summary of all written questions received and responses will be sent via e-mail to all entities that have registered to attend the pre-bidders conference.

Sample Bid Form A: Variation 1A - 25% Renewable Energy Content

Bidder Name:

Pricing Valid Through (Date)

Instructions:

Bidder must provide prices in cents per kWh for all seven customer classes and for all classes combined.

Bidder must provide bids for all years through 2015. Additional years may be bid optionally.

Pricing for 2010 must reflect deliveries beginning in May, and pricing for 2015 must reflect deliveries from January through April. All other years are to include delivery for full calendar year.

Energy pricing will be evaluated to thousandths of cents per kWh.

Each of the seven classes will be evaluated independently and may be selected independently.

Customer Classes

<u>Calendar Year</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium Commercial</u>	<u>Large Commercial</u>	<u>Industrial</u>	<u>Agricultural</u>	<u>Street Lighting</u>	<u>All Classes</u>
2010	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2011	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2012	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2013	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2014	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2015	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx

Pricing includes Shaped Energy, Ancillary Services, Distribution Losses, Scheduling Coordination, Resource Adequacy and Renewable Energy.

Comments (attach separate sheets if necessary):

Sample Bid Form A: Variation 1B - 100% Renewable Energy Content

Bidder Name: _____

Pricing Valid Through (Date) _____

Instructions: _____

Bidder must provide prices in cents per kWh for all seven customer classes and for all classes combined.

Bidder must provide bids for all years through 2015. Additional years may be bid optionally.

Pricing for 2010 must reflect deliveries beginning in May, and pricing for 2015 must reflect deliveries from January through April. All other years are to include delivery for full calendar year.

Energy pricing will be evaluated to thousandths of cents per kWh.

Each of the seven classes will be evaluated independently and may be selected independently.

Customer Classes

<u>Calendar Year</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium Commercial</u>	<u>Large Commercial</u>	<u>Industrial</u>	<u>Agricultural</u>	<u>Street Lighting</u>	<u>All Classes</u>
2010	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2011	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2012	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2013	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2014	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2015	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx

Pricing includes Shaped Energy, Ancillary Services, Distribution Losses, Scheduling Coordination, Resource Adequacy and Renewable Energy.

Comments (attach separate sheets if necessary):

Sample Bid Form B: Variation 2

Bidder Name:

Pricing Valid Through (Date)

Instructions:

Bidder must provide prices in cents per kWh for all seven customer classes and for all classes combined.

Bidder must provide bids for all years through 2015. Additional years may be bid optionally.

Pricing for 2010 must reflect deliveries beginning in May, and pricing for 2015 must reflect deliveries from January through April. All other years are to include delivery for full calendar year.

Renewable energy pricing should reflect the per MWh premium for renewable energy (@100%) above the annual shaped energy cost for All Classes.

Energy pricing will be evaluated to thousandths of cents per kWh.

Each of the seven classes will be evaluated independently and may be selected independently.

1) Shaped Energy (Prices applicable to specified energy quantities +/- 5%)

Customer Classes

<u>Calendar Year</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium Commercial</u>	<u>Large Commercial</u>	<u>Industrial</u>	<u>Agricultural</u>	<u>Street Lighting</u>	<u>All Classes</u>
2010	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2011	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2012	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2013	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2014	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx
2015	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx

2) Other Costs

All Classes

	<u>System-Wide Resource Adequacy (Dollars per kW-Month)</u>	<u>Local Area Resource Adequacy Greater Bay (Dollars per kW-Month)</u>	<u>Local Area Resource Adequacy Other PG&E (Dollars per kW-Month)</u>	<u>Qualifying Renewable Energy (Cents per kWh)</u>	<u>Non-Qualifying Renewable Energy (If Applicable) (Cents per kWh)</u>	<u>Scheduling Coordination (Cents per kWh)</u>	<u>Ancillary Services and CAISO Fees (est.) (Cents per kWh)</u>
2010	x.xx	x.xx	x.xx	x.xxx	x.xxx	x.xxx	x.xxx
2011	x.xx	x.xx	x.xx	x.xxx	x.xxx	x.xxx	x.xxx
2012	x.xx	x.xx	x.xx	x.xxx	x.xxx	x.xxx	x.xxx
2013	x.xx	x.xx	x.xx	x.xxx	x.xxx	x.xxx	x.xxx
2014	x.xx	x.xx	x.xx	x.xxx	x.xxx	x.xxx	x.xxx
2015	x.xx	x.xx	x.xx	x.xxx	x.xxx	x.xxx	x.xxx

Comments (attach separate sheets if necessary):
