

Question

Answer

Is CEA interested in software-only solutions?

No. CEA seeks qualified partners that can provide comprehensive project development and installation services to support a programmatic approach to enhancing local resilience, reliability, and peak load management. This includes the deployment of behind-the-meter (BTM) dispatchable battery energy storage systems (BESS) within CEA's service territory, with no upfront cost options for CEA or participating customers. While CEA prioritizes full-service solutions, alternative financial structures and approaches are also encouraged through this solicitation.

For individual sites, are there any minimum or maximum limits on either PV or Battery? (kW or kWh?)

CEA has not established specific minimum or maximum limits for PV or battery system sizes (kW or kWh). CEA is however, interested in options for smaller and larger C&I customers. That said, it is the responsibility of the proposing firm to submit a solution that aligns with the objectives outlined in the solicitation. CEA encourages proposals that offer no upfront cost options for CEA or participating customers, as well as other innovative financial structures and options.

What is the preferred capacity size? Can you please elaborate on the following: "Batteries are to be sized to discharge continuously over 24 hours (i.e., defining the energy capacity in kWh)"? Does this mean to size for one discharge cycle per day?

The requirement that "batteries are to be sized to discharge continuously over 24 hours (i.e., defining the energy capacity in kWh)" is intended to ensure that the battery storage systems are capable of providing a sustained discharge over a full day. This does not necessarily mandate only one discharge cycle per day, but rather that the systems are designed to support continuous energy delivery over the specified duration. The actual cycling behavior will depend on the operational strategy, load profile, and dispatch optimization.

When it comes to the BTM portfolio value, are there any recommended technical or operational specifications that CEA prefers to maximize its value . i.e. 2 hour or 4 hour BESS duration?

CEA has not specified a preferred battery duration (e.g., 2-hour or 4-hour BESS) or other technical and operational specifications to maximize portfolio value. However, CEA recognizes that the California energy market is increasingly prioritizing longer-duration storage to enhance grid reliability and resiliency. However, CEA anticipates at least one portion of the program to offer 2-4 hour storage with long duration options encouraged as an additional component based on cost effectiveness and future program growth. Proposers are encouraged to recommend system configurations that align with market trends while optimizing resilience, reliability, and peak load management. Solutions should consider factors such as discharge duration, cycling capabilities, and participation in grid services to maximize benefits for both CEA and participating customers.

What is the intended scale of deployment for this program in MWAC or MWH?

The RFP does not specify a specific scale for the program. CEA expects proposers to submit proposals that align with the objectives of the solicitation including resilience, reliability, peak load management and cost-effectiveness.

Is there any information yet on frequency or amount of dispatching into grid services?

CEA has not predetermined the frequency or amount of dispatching into grid services. CEA expects batteries to be available for discharge and potentially grid services, especially during peak hours. The intent of this program is to enhance local resilience, reliability, and peak load management while leveraging behind-the-meter (BTM) battery energy storage systems (BESS) for optimal grid support. The dispatch strategy will be informed by system capabilities, customer participation, and grid needs. Proposers are encouraged to outline their approach to dispatching, including anticipated frequency, duration, and potential revenue streams from grid services.

Are there any specific terms, conditions, or contractual provisions that CEA expects from the customer?

CEA has not specified predetermined terms, conditions, or contractual provisions that customers must adhere to as part of this program. However, proposers should outline any customer participation requirements, including contract duration, financial commitments, operational considerations, and any other obligations necessary for successful program implementation. CEA encourages solutions that minimize barriers to participation and provide clear benefits to customers while aligning with the program's objectives of increasing local resilience, reliability, and peak load management.

What is CEA's comfort with PPA escalators?

CEA has not set a specific preference or limitation on PPA escalators for this solicitation. CEA is open to escalators but proposers should be aware that the magnitude of escalators, total cost and savings, and year 1 cost and savings will all be a part of our decision process. Proposers are encouraged to present competitive and transparent pricing structures that align with CEA's objectives of providing cost-effective solutions for participating customers. Any proposed escalators should be justified in the context of market conditions, project viability, and long-term value while ensuring affordability and financial feasibility for CEA and its customers.

Does CEA require ownership of all RECs or can they be distributed amongst stakeholders?

CEA anticipates owning and retiring RECs on its customers' behalf, as it does for all customers. If an alternative approach is recommended, proposers should provide a clear reasoning and structure outlining the benefits of this alternative.

Is the BTM system still connected to the grid? Will this be done via net metering?

Yes, the behind-the-meter (BTM) systems deployed under this solicitation are expected to remain connected to the grid. The specific interconnection and operational framework, including participation in net energy metering (NEM), will depend on project design, regulatory requirements, and customer agreements. Proposers should outline how their systems will integrate with the grid, including considerations for net metering, grid services participation, and overall energy management to maximize value for CEA and participating customers. Proposers should explain their approach to coordination with SDGE on grid operations.

Is there a target number of customers or total MW of installed capacity that CEA is aiming to achieve in Year 1 or over the full program duration?

CEA has not set a specific target for the number of customers or total megawatts of installed capacity for Year 1 or the full program duration. The program's goal is to deploy behind-the-meter (BTM) battery energy storage systems that enhance local resilience, reliability, and peak load management while maximizing customer participation. Proposers are encouraged to propose a minimum program size that their proposed pricing is applicable to as well as your plan to achieve that capacity and the justification that the capacity is feasible. Proposers are encouraged to present scalable solutions that align with these objectives and demonstrate the potential for broad adoption and long-term program success.

Is rooftop or ground mount preferred?

CEA has not specified a preference between rooftop or ground-mounted systems for this solicitation. CEA anticipates most sites in the CEA territory will involve rooftop or carport setups with the use of underutilized space within the existing built environment is a desired component of this program. Proposers are encouraged to recommend system configurations that best support the program's objectives of enhancing resilience, reliability, and peak load management. Proposed solutions should consider site feasibility, cost-effectiveness, customer participation, and integration with behind-the-meter (BTM) battery energy storage systems to maximize overall value.

Will CEA provide support or facilitation with member cities to streamline permitting and interconnection processes across the different jurisdictions?

CEA staff will work with the selected company to facilitate communication with its member cities and San Diego Gas & Electric (SDG&E) regarding permitting and interconnection processes. However, while CEA will do its best to support, this is not in CEA's scope and it is expected that proposers will bring this expertise and will handle most of the permitting and interconnection processes without CEA support. Proposers should outline their approach to navigating these processes and any strategies for streamlining approvals to support project deployment.

Does CEA envision this program evolving in future phases (e.g., additional funding, expansion into VPPs or demand response)? Should proposals speak to future adaptability?

CEA expects proposers to include a Virtual Power Plant (VPP) framework as part of their solicitation response, leveraging behind-the-meter (BTM) battery energy storage systems to enhance grid reliability, resilience, and peak load management. Additionally, CEA is interested in exploring demand response opportunities specifically for commercial customers. Proposers should outline how their solutions can support these objectives, including scalability for future program enhancements and integration with evolving market opportunities.

Who at CEA will be responsible for overseeing this program, and what are your expectations of the selected partner in terms of communication cadence, reporting structure, and overall program management collaboration?

CEA will designate key staff from the Programs team to oversee this program, ensuring alignment with the agency's objectives and facilitating coordination with the selected partner. The selected partner will be expected to maintain regular communication with CEA, including scheduled check-ins, progress updates, and reporting on key performance metrics. The specific communication cadence, reporting structure, and program management collaboration will be defined during contract negotiations, but CEA anticipates:

- a. Regular status meetings to discuss project milestones, challenges, and opportunities.
- b. Detailed reporting on program performance, customer participation, energy storage deployment, and financial metrics.
- c. Proactive issue resolution through open communication with CEA staff and relevant stakeholders.
- d. Collaboration on outreach efforts to engage customers and coordinate with member cities and SDG&E.

Proposers should include in their responses a proposed approach to communication, reporting, and program management to ensure effective collaboration and successful implementation.

Is a sample project with sample load profiles appropriate to provide information on project scope?

Yes, providing multiple sample projects with different customer types and load profiles is appropriate and encouraged as a way to illustrate the project scope. CEA welcomes detailed examples that demonstrate how proposed solutions would operate in real-world conditions, including energy consumption patterns, battery dispatch strategies, and potential benefits to participating customers and the grid. Proposers should ensure that sample projects align with the objectives of the solicitation, including resilience, reliability, peak load management, and cost-effectiveness.

Is there a specific contract term that CEA would like to see? Can we assume 20 years?

There is no explicit mention of a required contract term or duration that CEA expects. However, the RFP emphasizes the need for long-term program benefits, including asset maintenance, warranties, and performance guarantees for the lifespan of the installed systems. CEA is seeking a sustainable and enduring program but CEA does not specify a fixed contract term such as 20 years. CEA is anticipating 10-20 year terms with proposers to justify why they chose a specific term length or specific term length options.

Will CEA be offering the participating customers/developers a specific Demand Response or Resource Adequacy program that we should build into this sample model? Any idea on what the revenues would be?

Program structure should be cost-based rather than tied to a specific Demand Response or Resource Adequacy expected value. Proposers are encouraged to provide details on the total program cost, and how this cost can be split between recurring customer fees (inclusive of customer savings) and CEA.

Could CEA please clarify what is meant by a “24-hour discharge configuration” for the three standardized solar plus battery storage systems (100 kW, 250 kW, 500 kW)? Specifically, is this referring to a battery system capable of discharging at full rated capacity continuously for 24 hours (i.e., 100 kW for 24 hours = 2,400 kWh), or is it a reference to general system uptime or availability over a 24-hour period? Additionally, should the cost breakdown assume a specific battery duration (e.g., 2-hour, 4-hour, or 8-hour) for modeling purposes?

The requirement that "batteries are to be sized to discharge continuously over 24 hours (i.e., defining the energy capacity in kWh)" is intended to ensure that the battery storage systems are capable of providing a sustained discharge over a full day. This does not necessarily mandate only one discharge cycle per day, but rather that the systems are designed to support continuous energy delivery over the specified duration. The actual cycling behavior will depend on the operational strategy, load profile, and dispatch optimization. (See Line 7 Q&A for further duration information)

Will backup power be required?

Backup power is not a required component of the program. However, proposers may include backup capabilities as a value-added feature to enhance customer resilience and support critical loads. Proposals should clearly define any backup power functionality offered, associated equipment (e.g., critical load panels), and how it integrates with the overall system design. While optional, backup power may strengthen the value proposition for certain customer segments.

What sort of data and reporting requirements will be required under the CEA program?

Sufficient data should be collected and reported in order to verify billing and customer metering, and to participate in potential future VPP or demand response initiatives. Additional regulatory reporting requirements from the CPUC, CEC, or other entities may be applicable as well.

Would CEA provide contact information for target customers under this program?

CEA will not provide direct contact information for customers. However, proposers should include a detailed customer outreach and recruitment plan in their proposal, including any support or resources needed from CEA. While CEA may assist with program promotion and engagement, such as through co-branded materials or general customer communications, direct access to customer contact lists will not be provided due to privacy considerations.

Will these projects be subject to CEQA?

Proposers are responsible for determining permitting requirements of projects.

Where is the Professional Services Agreement located?

<https://thecleanenergyalliance.org/wp-content/uploads/2025/03/CEA-PSA-Template-for-Commercial-BTM-Distributed-Energy-Program-Final.docx>