

2026 Geothermal Energy Projects Request for Information Q&A

Introduction

Clean Energy Alliance (CEA) has launched a Request for Information (RFI) to engage with geothermal energy developers, express interest in future/developing geothermal projects, and as a precursor to entering into future, bilateral offer discussions. Under this RFI, CEA received the following questions from potential respondents and is providing responses herein.

1. Would CEA be willing to consider alternative commercial structures that de-risk geothermal development, including prepay arrangements for discounted PPA pricing, milestone payments tied to project de-risking, or limited participation in early DevEx?
 - a. **Yes, CEA is open to alternative commercial structures for the purpose of de-risking geothermal development. CEA anticipates discussing and negotiating such approaches bilaterally with respondents to this RFI.**

2. At a high level, what role is geothermal intended to play in CEA's portfolio (e.g. 24/7 renewable coverage, RA contribution, hedging, local reliability), and what need is this procurement primarily intended to address?
 - a. **Geothermal is intended to help meet CEA's RPS, RA, and renewable content goals and requirements long-term. As a renewable baseload resource, geothermal can supplement energy and capacity in hours where renewable resources are not typically available, and thus reduce CEA's energy needs from non-renewable sources, such as gas. To be clear, this RFI is intended to gather information on prospective geothermal projects, foster relationships with developers, and to begin bilateral negotiations in anticipation of future Power Purchase Agreements (PPAs) to support the above roles and goals.**

3. As a CCA within SDG&E territory, can CEA confirm its customer billing and service model (e.g., consolidated billing through SDG&E) and any relevant operational considerations for contracting/settlement?
 - a. **CEA frequently serves as a PPA offtaker and directly pays its contract invoices like other utilities and Load Serving Entities do. SDG&E acts as the billing agent for CEA, depositing revenue from customers into CEA's account.**

4. Is CEA open to customer-linked/tri-party commercial structures for a large customer located within CEA territory (e.g., a customer-sponsored procurement product or structure tying a specific customer to a dedicated supply resource)?

- a. Yes, CEA is open to discussing this. CEA has a Wholesale Market Access Tariff (WMAT) rate, which has structure to support a more direct relationship between a project and a large load customer.**
5. For geothermal, does CEA have a preferred structure—energy-only PPA, bundled energy + RA, capacity/RA-style agreement, tolling-type structure, or other—and any preference for fixed vs indexed pricing?
 - a. For geothermal, CEA is open to a variety of contractual agreements that include energy and capacity attributes, to be discussed during bilateral conversations. Similarly, CEA is open to various pricing types.**
6. What contract term/tenor does CEA generally prefer for geothermal (e.g., 10/15/20+ years), and how flexible is CEA on tenor based on price and COD?
 - a. CEA has previously signed offtake agreements for 10-20 years and prefers a similar tenor range for long-term agreements, but will consider alternatives depending on pricing, project characteristics, and other factors.**
7. Would CEA consider phased procurement/contracting (multiple tranches and/or multiple projects under a common framework) with staggered CODs?
 - a. Yes, CEA is open to this structure.**
8. Does CEA have a target COD window (and/or a latest COD) for geothermal resources to meet portfolio needs, and how would schedule variance be treated in evaluation?
 - a. CEA doesn't necessarily have a target COD window. CEA has portfolio flexibility to enter into PPAs for projects with earlier CODs but also is looking to procure supply from projects reaching COD in the 2030s.**
9. To help calibrate proposals, can CEA share any non-binding commercial context (e.g., indicative \$/MWh evaluation range or how CEA benchmarks “firm clean” resources versus alternatives such as solar+storage), recognizing proposals will ultimately be project-specific?
 - a. CEA cannot share this type of benchmarking information.**
10. Does CEA have preferences regarding delivery as a flat baseload block versus shaped delivery (and any preferences on scheduling/curtailment rights and planned outage windows)?
 - a. For PPAs, as-generated power offtake is anticipated; other arrangements can be**

discussed bilaterally.

11. How does CEA intend to evaluate geothermal's RA contribution (system/local/flexible), and does CEA expect the seller to provide RA as part of the product or would CEA procure/manage RA separately?
 - a. **CEA is expecting geothermal project to provide RA as a part of the offered Product.**

12. Does CEA require projects to meet specific CAISO deliverability criteria, and how will CEA treat proposals with differing levels of deliverability/congestion exposure?
 - a. **CEA will consider projects that are fully deliverable or have a path to deliverability, which may include out-of-state resources requiring Import Allocation Rights. Deliverability and congestion exposure are components of CEA's best value evaluation in our solicitations, along with many other factors.**

13. What are CEA's preferred Points of Delivery / delivery locations for serving CEA load (top three if available), and what drivers inform those preferences (congestion, losses, deliverability, RA considerations)?
 - a. **CEA has a significant Local RA obligation for the San Diego-Imperial Valley (SD-IV) area but understands the limitations to developing geothermal projects in the SD-IV Local RA area. CEA will consider projects located within and outside of the CAISO, as long as they have the capability to interconnect and/or import into the CAISO.**

14. In CEA's typical contracting approach, how are congestion, marginal losses, and curtailment risks generally allocated (seller vs buyer vs shared), and how should bidders reflect these considerations in pricing?
 - a. **These are commercial points which would be discussed bilaterally, and pricing submitted under this RFI is understood to be indicative and not binding. CEA can share a pro forma term sheet for projects that are ready to begin commercial negotiations.**

15. From CEA's perspective, what level of CEA engagement is typical/available to support interconnection progress (e.g., coordination calls, stakeholder alignment, letters of support), recognizing the developer is the interconnection customer?
 - a. **CEA is open to engaging earlier and beyond what would be expected for a typical shovel-ready project. Bilateral discussions can explore appropriate roles for CEA that could potentially help a project succeed.**

16. What are CEA’s typical credit/security requirements (development security, performance security, LC/parent guarantee sizing), and do these differ for earlier-stage projects or emerging technologies?
 - a. **This can be discussed bilaterally. CEA can share a pro forma term sheet for projects that are ready to begin commercial negotiations.**

17. Is CEA open to interim instruments (e.g., LOI, milestone-based term sheet alignment, limited exclusivity) prior to a full PPA, and what milestones would CEA expect before progressing?
 - a. **Yes, CEA is open to leveraging these early-stage instruments. If a respondent has a specific methodology in mind, please explain this on the RFI Response form under the “Next Steps” section.**

18. What are the expected primary evaluation criteria for geothermal (price, RA/deliverability, schedule certainty, technology maturity, ESG/community), and can CEA share perspective on relative weighting?
 - a. **Through this RFI, CEA is hoping to pursue initial discussions and negotiations with early-stage projects, connect with developers, and develop a framework for an eventual offtake structure with one or multiple geothermal projects. CEA’ past RFPs can be found [here](#), which outline the typical evaluation criteria CEA considers. We cannot share specific information on relative weighting of evaluation criteria.**

19. Is CEA technology-neutral across geothermal types (hydrothermal vs next-generation approaches), and are there any specific risk/assurance expectations for less mature technologies (e.g., performance guarantees, insurance, EPC structure)?
 - a. **CEA is interested in pursuing promising opportunities across all geothermal technology types, understanding that there are differences in potential benefits and risks across these different technology types.**

20. Does CEA anticipate playing any role in stakeholder engagement (community, local jurisdictions, relevant agencies) for shortlisted projects—e.g., coordination or letters of support—where that could reduce schedule risk?
 - a. **CEA would desire to understand where and how our engagement would be most impactful. If you have a specific idea for what would be most helpful, please explain this on the RFI Response form under the “Next Steps” section.**

21. Can CEA confirm the intended process after the RFI (bilateral outreach, limited RFO/RFP, or expedited bilateral offers), expected timing, and whether CEA anticipates pre-proposal meetings/technical workshops (commercial + deliverability/interconnection) for shortlisted respondents?
 - a. **CEA expects to engage with developers bilaterally after conclusion of the RFI response deadline. Exact timelines are likely to vary for projects at different stages of development, however, to provide some timeline visibility: initial discussions of next steps with promising respondents are anticipated to take place relatively quickly – i.e., within 1-2 weeks after the response deadline.**