



**NYSERDA**

**Renewable Energy Standard  
Purchase of New York Tier 1 Eligible Renewable  
Energy Certificates  
Request for Proposals (RFP) No. RESRFP18-1  
RFP Release Date: April 25, 2018  
RFP Reissue Date: July 31, 2018**

**Step One Resource Eligibility Submissions Due:  
Wednesday, May 16, 2018 by 11:59 p.m. Eastern Time (ET)  
Step Two Application for Qualification Packages Due:  
Tuesday, June 12, 2018 by 11:59 p.m. ET\*  
Step Three Bid Proposals Due:  
Thursday, August 16, 2018 by 3:00 p.m. ET**

**NYSERDA SEEKS TO ACQUIRE APPROXIMATELY 1.5 MILLION NEW YORK TIER 1  
ELIGIBLE RENEWABLE ENERGY CERTIFICATES ANNUALLY**

The New York State Energy Research and Development Authority (NYSERDA) seeks to procure Tier 1 eligible Renewable Energy Certificates under the Renewable Energy Standard (RES), a component of the Clean Energy Standard (CES).

NYSERDA was created in 1975 by the New York State Legislature as a public benefit corporation. As designated in the Public Service Commission's (PSC) [Order Adopting a Clean Energy Standard](#), issued and effective August 1, 2016, NYSERDA acts as the Central Administrator of the RES program.

RESRFP18-1 will be implemented through a three-step process, consisting of:

1. Step One: A Resource Eligibility Determination step completed in the New York Generation Attribution Tracking System (NYGATS) through which the Tier 1 resource eligibility of the Bid Facility is determined, allowing participation in Step Two;
2. Step Two: An Application for Qualification step that will qualify Proposers to submit a Step Three Bid Proposal, based on demonstration that the Bid Facility meets certain threshold requirements; and
3. Step Three: A competitive Bid Proposal step.

Only those Proposers found eligible and qualified through the Step One and Two processes will be permitted to submit a Bid Proposal or otherwise participate in Step Three.

**\*Step One Resource Eligibility Determination:** Requests for Step One Resource Eligibility Determination submissions in NYGATS must be completed by **11:59 p.m. ET**

**on Wednesday, May 16, 2018.**<sup>1</sup> Through the Step One process, a determination will be made as to the Tier 1 resource eligibility of the Bid Facility, which will determine its eligibility to participate in Step Two.

**Step Two Application for Qualification:** NYSERDA will open the Step Two Application for Qualification process on Monday, April 30, 2018. Step Two Application for Qualification packages must be **received by NYSERDA by 11:59 p.m. ET on Tuesday, June 12, 2018 via electronic submission.**<sup>2</sup> NYSERDA staff will be available to support Proposer's inquiries through 5:00 p.m. on Tuesday, June 12, 2018. Proposals may be submitted electronically by following the link for electronic submissions found on [NYSERDA's Current Funding Opportunities website](#)<sup>3</sup>, located in the "Current Funding Opportunities" section of NYSERDA's website. Instructions for submitting electronically are provided by Attachment A to this RFP.

NYSERDA intends to notify all prospective Proposers as to their qualification status by Thursday, July 19, 2018. Qualified Proposers will receive a Notice of Qualification and will be provided detailed instructions for submitting a Step Three Bid Proposal at that time.

**Step Three Bid Proposal:** For Proposers found qualified to submit a Step Three Bid Proposal, Bid Proposals must be **received\* by NYSERDA by 3:00 p.m. ET on Thursday, August 16, 2018 via electronic submission.** Instructions for submitting electronically and the link for electronic submissions will be included in a Proposer's Notice of Qualification. Additional information regarding NYSERDA's Renewable Energy Solicitations are found on [NYSERDA's Renewable Energy Solicitations Standard \(RES\) Tier 1 website](#).<sup>4</sup>

**\*It is recommended that Proposers set aside ample time, well in advance of each deadline, to gather the required information and documentation and to understand the requirements to complete the above processes.**

Questions about this RFP should be directed to Doreen Harris, Abbey DeRocker, Marci Brunner, or Bram Peterson (the Designated Contacts) at [res@nyserda.ny.gov](mailto:res@nyserda.ny.gov) (no phone calls). No communication intended to influence this procurement is permitted except by contacting the Designated Contacts. Contacting anyone other than the Designated Contacts (either directly by the Proposer or indirectly through a lobbyist or other person acting on the Proposer's behalf) to influence the procurement: (1) may

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<sup>1</sup> See <https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Generators-and-Developers/RES-Tier-One-Eligibility/Certification>

<sup>2</sup> If you are unable to submit by electronic means, please contact a Designated Contact immediately.

<sup>3</sup> <http://www.nyserda.ny.gov/Funding-Opportunities/Current-Funding-Opportunities.aspx>

<sup>4</sup> <https://www.nyserda.ny.gov/ces/rfp>

result in a Proposer being deemed a non-responsive offeror, and (2) may result in the Proposer not receiving an award.

Incomplete proposals will be subject to disqualification. It is the Proposer's responsibility to ensure that all required forms and attachments have been completed and submitted. Late packages will not be accepted and those lacking the appropriate completed and signed Step Two Application for Qualification Form may be returned. **Faxed, mailed, or e-mailed packages will not be accepted.**<sup>5</sup> Packages will not be accepted by hand delivery at any NYSERDA location.

If changes are made to this solicitation, notification will be posted on [NYSERDA's RES website](#) and provided to those that provide their email address to NYSERDA via [NYSERDA's RES Renewable Generators and Developers Email Sign-Up Page](#).<sup>6</sup> Please check the website periodically, as well as immediately before submitting in Step Two or Step Three.

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<sup>5</sup> Unless otherwise agreed by NYSERDA. See footnote 2.

<sup>6</sup> <https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Generators-and-Developers/Renewable-Generators-and-Developers-Email-List>

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## **I. BACKGROUND: THE NEW YORK STATE CLEAN ENERGY STANDARD AND RENEWABLE ENERGY STANDARD**

On July 6, 2015, the New York State Energy Planning Board issued the 2015 State Energy Plan (SEP)<sup>7</sup> which stated the goal achieve 50 percent of the State's electricity be generated from renewable resources by 2030 (50 by 30 goal). In December 2015, Governor Cuomo directed the Department of Public Service (DPS) to develop a Clean Energy Standard (CES)<sup>8</sup> to help achieve the SEP goals.

The Public Service Commission's (PSC) [Order Adopting the Clean Energy Standard](#) issued on August 1, 2016, along with additional orders issued under Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard (Orders), established the Renewable Energy Standard (RES) as the State's principal means of achieving the 50 by 30 goal. A component of the RES consists of a Tier 1 obligation on load serving entities (LSE) to procure Renewable Energy Certificates<sup>9</sup> (RECs) associated with new renewable energy resources.

The Orders authorize NYSERDA, as central procurement administrator, to offer long-term contracts to generators for the purchase of Tier 1-eligible RECs, in the form of Tier 1 NYGATS certificates. Pursuant to the Orders, NYSERDA seeks to accomplish the RES objective by contracting with suppliers, through a series of competitive RFPs, for the RES Tier 1 RECs created by eligible generation resources.<sup>10</sup>

Information regarding current NYSERDA's implementation of the RES can be found on [NYSERDA's CES website](#).<sup>11</sup>

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<sup>7</sup> 2015 New York State Energy Plan is available from <http://energyplan.ny.gov/>

<sup>8</sup> Letter from Governor Andrew M. Cuomo to Audrey Zibelman, Chair, New York State Department of Public Service, December 2, 2105 (Cuomo Letter) available at [https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/Renewable\\_Energy\\_Letter.pdf](https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/Renewable_Energy_Letter.pdf)

<sup>9</sup> While the PSC's August 1, 2016 Order references renewable energy "credits," NYGATS creates renewable energy certificates, and therefore that term is used in this RFP. The NYGATS certificates are created in one MWh denominations and are in all other ways consistent with the Order.

<sup>10</sup> Directives pertaining to NYSERDA's RES Central Procurement role are contained in the November 17, 2017 [Order Approving Phase 2 Implementation Plan](#) and the [Phase 2 Implementation Plan](#) filed by NYSERDA on December 18, 2017, the February 22, 2017 [Order Approving Phase I Implementation Plan](#) and the [Final Phase I Implementation Plan](#) filed by NYSERDA on March 24, 2017. The March 9, 2017 [Order on the Value of Distributed Energy Resources](#) further clarifies the treatment of certain distributed energy resources (DERs) such resources under the CES and their eligibility to participate in NYSERDA's long term procurements for RECs.

<sup>11</sup> <https://www.nyserda.ny.gov/Clean-Energy-Standard/>

Information regarding NYSERDA's first solicitation under the RES, RESRFP17-1, can be found on [NYSERDA's 2017 Solicitation website](#).<sup>12</sup>

Information on the Renewable Portfolio Standard (RPS), the precursor to the CES, and past Main Tier solicitations can be found on [NYSERDA's website](#).<sup>13</sup>

The CES/RES Orders can be accessed from the [NYS Public Service Commission's website](#).<sup>14</sup> All Proposers are strongly advised to review the Orders before participating in this RFP.

**CAPITALIZED TERMS AND ABBREVIATIONS USED IN THIS RFP ARE DEFINED IN ARTICLE I OF THE [RES STANDARD FORM AGREEMENT](#) (Attachment H).**

## **II. NOTIFICATION of RFP CHANGES**

Notification of any changes in RFP process or documents will be posted on [NYSERDA's RES Tier 1 website](#) and sent via email to those parties who have submitted contact information to [NYSERDA's Renewable Generators and Developers sign-up website](#).

## **III. PROPOSERS WEBINAR & INQUIRIES**

NYSERDA will hold a webinar for Proposers on **Wednesday, May 2, 2018 at 1:00 p.m. ET** (Albany, NY time). On the webinar, NYSERDA will review the Step One Resource Eligibility Determination, Step Two Application for Qualification, the Step Three Bid Proposal requirements, and the RES Standard Form Agreement. Questions will be taken and, to the extent possible, responses will be provided during the webinar. **Proposers who intend to participate must register by 12:00 noon Tuesday, May 1, 2018 on [NYSERDA's website](#).**<sup>15</sup>

Respondents will be provided with webinar credentials. All prospective Proposers are strongly encouraged to participate in the webinar.

Proposers are encouraged to submit questions prior to the webinar via the email address [res@nyserda.ny.gov](mailto:res@nyserda.ny.gov) with the subject line "**RES Procurement Question.**" Written questions can be submitted at any time, but must be received before **5 p.m. on Friday, May 4, 2018** to be included in NYSERDA's response indicated below. The written responses will supersede any responses given by NYSERDA during the Proposer's webinar. All questions regarding the RFP documents or the process MUST

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<sup>12</sup> <https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Generators-and-Developers/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts/2017-Solicitation>

<sup>13</sup> <https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Portfolio-Standard/Past-Main-Tier-Solicitations>

<sup>14</sup> <http://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=15-e-0302>

<sup>15</sup> To register for the Proposers' Webinar please visit <https://nyserda-events.webex.com/nyserda-events/onstage/g.php?MTID=e283cfd7b44f8d451cf4faac4c5758459>

be directed as indicated. Questions may not be submitted directly to any individual at NYSERDA, DPS Staff, or to individuals working for or on behalf of NYSERDA.

NYSERDA will post questions anonymously, along with NYSERDA's responses, on [NYSERDA's RES Tier 1 website](#), on or about Friday, May 11, 2018.

#### IV. SCHEDULE

The schedule for this RFP is as follows (all times ET):

|   |                           |
|---|---------------------------|
| RFP Release Date  | Wednesday, April 25, 2018 |
| NYSERDA opens Step Two Application for Qualification                        | Monday, April 30, 2018    |
| Proposers' Webinar  | Wednesday, May 2, 2018    |
| Deadline – Submit written questions   | Friday, May 4, 2018       |
| Responses to written questions posted on NYSERDA's website                  | Friday, May 11, 2018      |
| Deadline – Step One Resource Eligibility Determination submission           | Wednesday, May 16, 2018   |
| NYSERDA responds with Step One Resource Eligibility Determination           | Friday, June 1, 2018      |
| Deadline – Step Two Application for Qualification submission                | Tuesday, June 12, 2018    |
| NYSERDA responds with Step Two Application for Qualification determinations | Thursday, July 19, 2018   |
| Deadline – Step Three Bid Proposal submission                               | Thursday, August 16, 2018 |
| Deadline – Withdraw a Bid Proposal with refund of Bid Deposit <sup>16</sup> | Monday, October 1, 2018   |
| NYSERDA notifies Proposers receiving awards                                 | October 2018              |

Please note that the above dates are subject to change. Notification of any changes to the RFP process or documents will be posted on [NYSERDA's RES website](#) and sent via email to those parties who have submitted contact information to [NYSERDA's Renewable Generators and Developers website](#).

#### V. PARTICIPATING IN THIS RFP

NYSERDA has designed this solicitation as a three-step process, consisting of:

- 1) Step One: A Resource Eligibility Determination step completed in NYGATS through which the Tier 1 resource eligibility of the Bid Facility is determined, allowing participation in Step Two;

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<sup>16</sup> NYSERDA will refund the Bid Deposit to Proposers who withdraw their Bid Proposal(s) on or before October 1, 2018.

- 2) Step Two: An Application for Qualification step that will qualify Proposers to submit a Step Three Bid Proposal, based on demonstration that the Bid Facility meets certain threshold requirements; and
- 3) Step Three: A competitive Bid Proposal step.



## STEP ONE – RESOURCE ELIGIBILITY DETERMINATION

### VI. STEP ONE RESOURCE ELIGIBILITY DETERMINATION

To participate in this RFP each Bid Facility must possess a determination from NYSERDA that it is a Tier 1 RES eligible resource technology type under [Appendix A](#) of the [Order Adopting the Clean Energy Standard](#). Pursuant to the Order, to participate in this RFP an eligible Bid Facility must also: (1) be located within the New York Control Area or in an adjacent control area and supply energy into New York State, in accordance with the RES Delivery Requirements in this RFP, and (2) have first commenced Commercial Operation on or after January 1, 2015, or (3) must produce new, incremental energy and Tier 1 REC's from new Bid Capacity above a historical baseline.

Resource Eligibility Determination requests are completed in NYGATS. To complete a Step One request, Proposers must create a NYGATS account, complete a project registration for the Bid Facility, and once the registration is approved, complete an application requesting either Operational Certification (for which a Bid Facility may receive a Statement of Qualification “SoQ”) (for facilities in operation at the time of request) or Provisional Certification (for which a Bid Facility may receive a Provisional Statement of Qualification “PSoQ”) (for facilities not yet in operation). The SoQ/PSoQ certifies that a Bid Facility has met or will meet the eligibility requirements under Tier 1 of the RES.<sup>17</sup> NYSERDA will notify the Proposer of its eligibility determination by posting a letter in the Proposer’s NYGATS account associated with the Bid Facility.

For consideration in RESRFP18-1, **Proposers must complete a Resource Eligibility Determination submission by 11:59 p.m. ET on Wednesday, May 16, 2018** to allow NYSERDA to grant or deny an SoQ or PSoQ by 5 p.m. Friday, June 1, 2018.

For a Bid Facility with an existing SoQ or PSoQ, the Step Two Application for Qualification for the Bid Facility submitted under this RESRFP18-1 must be consistent with the existing SoQ or PSoQ. Some resource changes, for example a change in the Technology Type, Nameplate Capacity, In-Service Date, Control System Operator, New York Independent System Operator (NYISO) Zone, Electric Utility Company, Tariff Type, Vintage Type, Bid Facility address or other key project components will require Proposers to submit either (1) an SoQ or PSoQ revision, or (2) request a new SoQ or PSoQ. NYSERDA will work with the Proposer to rectify any discrepancies. If assistance is needed please contact [res@nyserda.ny.gov](mailto:res@nyserda.ny.gov) with a subject line “SoQ/PSoQ Assistance.”

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<sup>17</sup> See <https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Generators-and-Developers/RES-Tier-One-Eligibility/Certification>

**A Bid Facility must have a valid NYGATS ID and an SoQ or PSoQ to participate in Step Two.**

More information on the Resource Eligibility Determination process, including guidelines for documenting eligibility for certification, including the eligibility of distributed energy resources, upgrades, relocated facilities and facilities returning to service can be found on [NYSERDA's RES Tier 1 Eligibility website](#).<sup>18</sup> Training materials for using NYGATS to apply for an eligibility determination may be found on the [NYGATS website](#).<sup>19</sup>

### **Eligibility Limitations**

Tier 1 eligible RECs or environmental attributes that are the subject of a current NYSERDA RES contract, or that were the subject of an award under a previous NYSERDA RES or RPS Main Tier solicitation are not eligible under this RFP.

### **Subsequent Tier 1 Eligibility Changes**

Bid Facilities selected for an award under this RFP will not be subject to subsequent changes in RES eligibility rules; however, if the Bid Facility fails to maintain eligibility consistent with the RES requirements as they existed on the RFP Release Date,<sup>20</sup> such ineligibility will extend to the RECs associated with the Bid Facility's production throughout the entire period in which the Bid Facility fails to maintain eligibility.

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<sup>18</sup> <https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Generators-and-Developers/RES-Tier-One-Eligibility/Eligibility>

<sup>19</sup> <https://www.nyserda.ny.gov/All-Programs/Programs/NYGATS>

<sup>20</sup> Refer to the first page of this RFP or Section IV. Schedule, for the RFP Release Date

## STEP TWO – APPLICATION FOR QUALIFICATION

### VII. STEP TWO APPLICATION FOR QUALIFICATION

Under Step Two, Proposers will submit a Step Two Application for Qualification package for each Bid Facility, containing information and documentation that NYSERDA will evaluate to determine whether the Step Two Application for Qualification package demonstrates that the project meets or exceeds a minimum threshold in each of five Minimum Threshold Qualification categories (Site Control, Interconnection, Permitting, Project Development and Resource Assessment as explained below).

Bid Facilities that satisfy the minimum Threshold Qualification requirements and provide a Bid Deposit will receive a Notice of Qualification allowing them to submit a Step Three Bid Proposal. The Notice of Qualification will also identify the Bid Facility's Maximum Contract Tenor and will provide Proposers with a description of and access to the process and forms to be used to submit a Step Three Bid Proposal.

**Proposers qualified through the Step Two Application for Qualification process will be permitted to submit Step Three Bid Proposals or otherwise participate in Step Three.**

#### **A. Deadline for Submitting a Step Two Application for Qualification package**

The complete Step Two Application for Qualification package must be **received** by NYSERDA no later than **11:59 p.m. ET on Tuesday, June 12, 2018, via electronic submission. NYSERDA strongly recommends that Proposers reserve ample time to address the requirements for each Bid Facility. The Step Two Application for Qualification package must be completed and submitted on-line, before the deadline.** NYSERDA staff will be available to support Proposer's inquiries through 5:00 p.m. on Tuesday, June 12, 2018.

All electronic signatures must be provided as indicated on the Step Two Application for Qualification. Failure to provide any attachments or information requested may result in the Step Two Application for Qualification package being declared non-responsive and rejected. NYSERDA may request additional information and materials at any time. Step Two Application for Qualification packages become the property of NYSERDA.

The Step Two Application for Qualification requires general information identifying the Bid Facility, the Proposer, and other relevant information. The Step Two Application for Qualification can only be completed if a Bid Facility has a valid NYGATS ID and an SoQ or PSoQ (see Section VI Eligible Generation regarding the certification process). Step Two Application for Qualification packages that are incomplete or that lack an SoQ or PSoQ certification may be rejected.

Energy Storage. Should a Proposer wish to submit a Step Three Bid Proposal which includes Energy Storage, the Proposer will need to complete two separate Step Two Applications for Qualification, one with and one without Energy Storage.

Energy Storage components must be commercially available, factory new equipment carrying a minimum 10-year warranty and must have at least one year of documented commercial performance at the time of application and (i) be listed to ANSI UL 9540, or 1973, and (ii) inverters must be listed to UL 1741 or have UL 62109 certification, and (iii) that meets the latest National Electric Code 2017 requirements, including Article 706, Energy Storage Systems. Proposers awarded a Contract Tenor in excess of 10 years shall, prior to the commencement of construction provide an executed Energy Storage operations and maintenance agreement for a term which is greater than or equal to the proposed Contract Tenor. See Section IX (C) (5) below.

A complete Step Two Application for Qualification package consists of:

- 1) Application for Qualification Form (Attachment B);
- 2) Threshold Qualification Supporting Documentation for the following five Project Viability categories:
  - a. Site Control;
  - b. Interconnection;
  - c. Permitting;
  - d. Project Development; and
  - e. Resource Assessment.
- 3) Step Two Application for Qualification narrative overview;
- 4) Proof of Bid Deposit.

If the proposed Bid Facility is currently in operation and has been granted an SOQ, Proposers need only submit:

- 1) Application for Qualification Form (Attachment B);
- 2) Resource Assessment;
- 3) Proof of Bid Deposit.

## **Application for Qualification Form (Attachment B)**

The Application for Qualification Form includes, but is not limited to, the following fields:

### 1. Bid Facility, Site, and Generating Equipment Description

Provide a complete description and overview of the Bid Facility, and if applicable, Energy Storage<sup>21</sup>, describing the area included in and surrounding the generation and interconnection site(s), a description of the local zoning, and other applicable

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<sup>21</sup> The description must include an overview of the Energy Storage component, including the Storage Unit(s), Interconnection Facilities up to the Point of Interconnection, Prevention Equipment, and Protective Apparatus together with all materials, equipment systems, structures, features and improvements necessary to store, charge and discharge electric energy.

ordinances and municipal laws, existing land use and setting (e.g., woodlands, brownfield, agriculture, other) and describe what the site(s) has been used for in the recent past. Include and describe the status and development stage of Bid Facility (development, construction, or operation). Include information about the specific technology or equipment considered or selected, major equipment to be used, manufacturer or vendors considered or selected, equipment acquisition status, and equipment contract/agreement status.

## 2. Interconnection Description

Provide a complete description and overview of the planned interconnection of the Bid Facility, and if applicable, Energy Storage, from the generation site, including how the Proposer plans to gain interconnection site control and any rights that must be obtained by the Proposer or interconnecting utility for the interconnection. Identify and describe the individual land parcels associated with the interconnection and any rights of way needed. If applicable, fully describe the relationship of the site to other adjacent infrastructure, including planned or alternate points of interconnection. If the Proposer is planning on using an adjacent parcel or if the right of way is controlled by or assignable to the interconnecting utility that will own the interconnection facilities, clearly explain this in the narrative. Specify and describe the current or new interconnection facilities (lines, transformers, switching equipment, system control protection, etc.) that the Proposer owns or is intending to construct or have constructed in order to deliver the proposed energy.

## 3. Financing Plan Description

Proposers must demonstrate they have completed a sufficient degree of planning and due diligence on how the project is to be financed by submitting a Financing Plan, as well as by describing their experience in successfully financing electrical generation projects.

Proposers must describe a plan to finance the proposed Bid Facility, including the type of finance approach(es) (PPA, forward energy and/or capacity sale, financial hedge, or other) and intended or actual investors (specified, or by type, depending on financing status). The plan should also address any revenue streams other than RECs, including energy, capacity, and ancillary services produced by the proposed Bid Facility. If hedges have been secured for the proposed Bid Facility, please describe what proportion of the annual energy production has been secured and for what duration.

If applicable, include and describe:

- a. Bid Facility, and if applicable, Energy Storage, construction activities (provide supporting evidence that construction has begun as an attachment).<sup>22</sup>

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<sup>22</sup> For projects described as “under construction,” Proposers must provide evidence of authorization to proceed, or similar, for an Engineering, Procurement, Construction (EPC) contract, a major equipment purchase or similar material non-refundable capital commitment to constructing the project.

- b. Project financing arrangement and closing, with a description of the type of financing commitment (provide financial closing documentation or financing commitment(s) which address any contingencies as an attachment).

For a Step Two Application for Qualification that includes Energy Storage, include a description of the Proposer or its affiliate's Energy Storage financing experience alone and/or with renewable energy facilities in similar detail to the requirements for renewable energy facilities described above.

To document the project finance experience of the Proposer or its affiliates<sup>23</sup>, the Proposer must complete Attachment G, for recently financed renewable or non-renewable energy electric generation facilities, specifying the following:

- a. Project Name/Type, experience with similar technology,<sup>24</sup> capacity (MW), location, operating status, year of financial closing.
- b. Description of finance approach used for the project, (for instance, project finance, balance sheet finance commitment, tax equity, YieldCo, host ownership, etc.). If applicable, include the value of financing (USD\$) by finance type. The response should identify whether projects were financed alone or together with other facilities; if the latter, describe the portfolio financed together.
- c. A description of Power & REC offtake arrangements (e.g., PPA(s), REC contracts, merchant, net metering, etc.).
- d. A clear indication of whose experience (corporate, affiliate, or individual's) is being described.

#### 4. Project Schedule

If the Bid Facility is under development, the Step Two Application for Qualification package must include a completed Project Schedule, detailing key development milestones. If the Bid Facility is Operational, a completed Project Schedule is not required.

#### 5. Confidentiality

The Application for Qualification Form requests that Proposer indicate whether Proposer wishes to have the information in the Application for Qualification package treated as proprietary or confidential trade secret information. NYSERDA is subject to and must comply with the requirements of New York's Freedom of Information Law ("FOIL" see Public Officers' Law Article 6). Information in any tangible form including any document that Proposer wishes to be protected from disclosure to third parties including any information provided as a part of a proposal must be marked "Confidential" or "Proprietary" at the time such information is provided to NYSERDA.

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<sup>23</sup> Proposer, its affiliates, or a senior executive or finance professional who is a principal of the Proposer. Experience of vendors or contractors to the bidding company do not count towards this requirement.

<sup>24</sup> Similar technology means the same resource and prime mover (e.g. solar or wind). It is not meant to distinguish between different solar technologies, for example.

NYSERDA reserves the right to make public, after the fifth anniversary of the Award Notification Date, the RES Standard Form Agreement (Attachment H) executed with any awarded project.

The Application for Qualification Form also includes the Proposer's attestation regarding the accuracy and truthfulness of the information and documentation provided by the Proposer.

## **Threshold Qualification Supporting Documentation – Project Viability**

Threshold Qualification supporting documentation should be uploaded as attachments as described in more detail below. Attachments will be limited to files of 20 MB or smaller and should be clearly marked with the Bid Facility Name and NYGATS ID.

### Minimum Qualification Thresholds

The listing below identifies the supporting documentation required to verify that the Bid Facility meets the minimum threshold for each Threshold Qualification category. **If the progress by a Bid Facility exceeds the minimum threshold in any category, documentation as to the additional level of progress achieved, beyond the minimum, should be provided.**<sup>25</sup> Bid Facilities that have exceeded the minimum thresholds may receive additional points as a part of the 10% Project Viability evaluation in Step Three (see Section X.A. Scoring Criteria and Appendix 2). Should a Bid Facility make incremental progress in any of the five Project Viability categories between Step Two and Step Three, Proposers will have an opportunity to submit additional documentation in the associated Step Three Bid Proposal.

### Threshold Category 1: Site Control

The Site Control minimum threshold includes two subcategories: Generation Facility Site Control, and Interconnection Right of Way Site Control.

#### Generation Facility Site Control

Proposers must demonstrate an executed exclusivity agreement or letter of intent with site owner(s), or that the Proposer owns, has an executed lease for, easement for, or executed binding option with the site owner(s) for the Bid Facility. The full site needed for the Bid Facility must be covered by at least an exclusivity agreement(s) or letter(s) of intent, unless the site is greater than 15 acres, in which case the exclusivity agreement(s) or letter(s) of intent must cover at least 50% of the site's acreage.

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<sup>25</sup> For example, under Category 2, Interconnection, for a 20 MW Bid Facility subject to NYISO jurisdiction, the documentation required to demonstrate achievement of the minimum threshold consists of a submitted interconnection request. If a Feasibility, System Impact, or Facilities Study has, in fact, been executed, attach a copy and provide confirmation of associated fees paid. The study will satisfy the Minimum Qualification Threshold and will also be considered as a part of the Project Viability evaluation in Step Three.

#### Interconnection Right of Way Control

Proposers must demonstrate that (i) an exclusivity agreement(s) or letter(s) of intent for the necessary rights of way, and/or (ii) an executed right of way agreement(s), which provide necessary rights to the developer (if the generator lead facilities will be merchant-owned), or (iii) that the right of way is controlled by or assignable to the interconnecting utility that will own the interconnection facilities, or (iv) that the Proposer owns, has executed lease for, easement for, or executed binding option for the necessary rights of way associated with the interconnection for the Bid Facility.

#### Energy Storage Site Control

A Bid Facility paired with Energy Storage, whether co-located with the generation or located in a separate location from the generation, must have at least an executed exclusivity agreement or letter of intent with the site owner(s). The full site needed for the Bid Facility, and Energy Storage, must be covered by the exclusivity agreement(s) or letter(s) of intent, unless the site is greater than 15 acres, in which case the exclusivity agreement(s) or letter(s) of intent must cover at least 50% of the site's acreage.

#### Supporting Documentation Required for Site Control<sup>26</sup>

Proposers must demonstrate that the proposed Bid Facility meets the threshold level of Generation Facility and Interconnection Right of Way Site Control by providing the following documents:

- Map of site plan/layout indicating project and parcel boundaries, to scale, with parcel designation by owner. The map should indicate the (anticipated) interconnection route and the (anticipated) interconnection point(s). If applicable, indicate the relationship of the site to other adjacent infrastructure, including planned or alternate points of interconnection. If available, include a project layout indicating the generation unit and the location of all major equipment and facilities on site. If proposing with Energy Storage co-located with the generator, clearly identify the location of Energy Storage. If proposing with Energy Storage not located with the generator, provide a separate map of the Energy Storage site plan/layout and (anticipated) interconnection route in the same attachment as the Bid Facility map.
- Summary description (table) of control status by parcel with parcel designation tied to site map using Attachment C.
- If available, a one-line diagram.
- If available, GIS data containing the parcel boundaries that the project will occupy (SHP or KML file formats).

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<sup>26</sup> Unless the proposed Bid Facility is currently in operation (i.e., proposed Bid Facility is applying with an SoQ).



## **Threshold Category 2: Interconnection**

Proposers must have researched the relevant interconnection process for the Bid Facility, determined what interconnection requirements are appropriate for the Bid Facility, and submitted a valid interconnection request (except for Behind-the-Meter Bid Facilities). Proposers submitting supporting documentation to substantiate their Interconnection progress should submit a recent, active (not withdrawn), valid Interconnection Request consistent with Bid Facility as proposed to NYSERDA. Interconnection Requests that have been withdrawn do not meet the minimum Threshold Qualification Requirement. Documentation that does not reflect the Bid Facility as proposed may be rejected.

The threshold requirements vary by the size and location of the Bid Facility:

- Large Bid Facilities (greater than 20 MW) under the authority of the New York Independent System Operator (NYISO) or a similar interconnecting authority in an adjacent U.S. control area:<sup>27</sup> Proposer has submitted a valid interconnection request and demonstrates that all initial fees have been paid.
- Small Bid Facilities (less than or equal to 20 MW) under jurisdiction of NYISO or a similar interconnecting authority in an adjacent U.S. control area:<sup>28</sup> Proposer has submitted a valid interconnection request and demonstrates that all initial fees have been paid.
- Small Bid Facilities with a Non-Federal Energy Regulatory Commission (FERC) Interconnection:<sup>29</sup> Proposer has discussed the Bid Facility with the relevant interconnecting utility company and has identified the applicable requirements. Proposer has submitted a valid interconnection request and demonstrates that all initial fees have been paid.
- Behind-the-Meter Bid Facilities: Proposer has (i) contacted the local interconnecting utility regarding interconnection and (ii) has drafted interconnection request documents.
- Bid Facilities located in Ontario or Quebec, or other Bid Facilities that do not fall under any of the other interconnection categorizations: Proposers must demonstrate that the Bid Facility meets the equivalent threshold for projects of the same scale in the U.S.
- For Bid Facilities paired with Energy Storage: Proposer has discussed Energy Storage with the relevant interconnecting utility company and has identified the applicable requirements. Proposer has either (1) submitted a valid interconnection request for Energy Storage and demonstrates that all initial fees have been paid, or (2) prepared drafts of all initial Energy Storage interconnection application documents such that the interconnection request can be made within 3 months following an award from NYSERDA.

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<sup>27</sup> FERC Jurisdiction, Large Generator Interconnection

<sup>28</sup> FERC Jurisdiction, Small Generator Interconnection, inclusive of 2 MW Fast Track

<sup>29</sup> Connecting Transmission Owner Interconnection under state jurisdiction (typically, utility distribution less than 5 MW).

### Supporting Documentation Required for Interconnection<sup>26</sup>

The Proposer must demonstrate that the Bid Facility meets the threshold level of interconnection progress by providing a summary or other evidentiary documentation from the Interconnecting entity confirming the extent of interconnection activities and confirming payment of any necessary fees. For Behind-the-Meter Generators, Proposer must also provide a draft (ready for submission) of all interconnection request documents.

### **Threshold Category 3: Permitting**

Proposers must be well informed of all applicable permitting requirements and sufficiently advanced in planning for the permitting process. To fulfill this requirement, all Proposers must meet the following threshold requirements:

- 1) For Bid Facilities subject to Article 10 (greater than or equal to 25 MW), the Proposer must describe its plan for advancing the Bid Facility through the Article 10 process, including a description of the Proposer's proposed Public Involvement Program Plan (PIP) and any approach regarding stipulations or other expectations.
- 2) For Bid Facilities within the NYCA not subject to Article 10 (less than 25 MW), the Proposer must provide documentation demonstrating that: (a) that the local approval process is underway as demonstrated by initial applications and preliminary documents or (b) that a request for a zoning change or variance has been initiated with the appropriate local government. This includes:
  - i) any NYS Department of Environmental Conservation (DEC) Environmental Assessment Form (EAF) submissions.<sup>30</sup> If applicable, evidence that the Lead Agency for the SEQRA process has been designated or is in the process of designation.
  - ii) if applicable, applications for construction permit(s) that have been submitted to local authority(ies) with approval jurisdiction.
  - iii) for hydroelectric facilities only, include the Bid Facility's FERC license expiry date or provide evidence that FERC licensing process has been initiated and notice of intent has been filed.
- 3) For Bid Facilities not located in the NYCA, complete Attachment D, EAF modeled after the New York SEQRA Short Environmental Assessment Form.
- 4) For all Bid Facilities:
  - a) Complete Attachment E, List of Required Permits, by providing a list of required permits at the local, state and federal level required to construct and operate the Bid Facility, and if applicable, Energy Storage. The list will be complete and identify all governing municipalities with jurisdiction or approval authority associated with the Bid Facility, and if applicable, Energy Storage, as proposed to NYSERDA and will include any special use/conditional use permits, air permits, FERC licenses, planning board approvals, U.S. Army Corps of Engineers (USACE) letters, and other applicable requirements. In Attachment E, additional permitting information is requested for Biomass and Biogas Bid

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<sup>30</sup> See <https://www.dec.ny.gov/permits/6191.html> for a full list of NYS DEC EAF and SEQR forms.

Facilities only. Proposers must identify a contact for each jurisdiction (for example, hamlet, village, town, city, county, agency, authority, State, or other) associated with the permits. If the Proposal includes Energy Storage located in a separate location from the generation, the Proposer will list all associated permits on the same Attachment E as provided for the Bid Facility. The permits associated with the Bid Facility and the Energy Storage should be delineated.

- b) Describe the extent of any negotiations regarding payments in lieu of taxes or host community agreements.
  - c) Provide an initial review of (i) cultural, historic, archeological and natural heritage impacts, as may be required; and (ii) wetland, fish and wildlife, and other applicable environmental impacts.
- 5) If applicable, the Proposer shall have developed emissions profiles for the Bid Facility that are consistent with state/federal emission regulations and RES eligibility requirements.
- 6) If applicable, for Bid Facilities including Energy Storage, either:
- i) include any NYS Department of Environmental Conservation (DEC) Environmental Assessment Form (EAF) submissions<sup>30</sup> specific to Energy Storage. If applicable, evidence that the Lead Agency for the SEQRA process has been designated, or
  - ii) complete Attachment D. EAF modeled after the New York SEQRA Short Environmental Assessment Form for Energy Storage.

#### Supporting Documentation Required for Permitting<sup>26</sup>

The Proposer must demonstrate that it meets the threshold level of permitting progress by providing the following documents:

- Documents filed with the applicable local authority(ies) with approval jurisdiction;
- If applicable, a completed EAF in Attachment D.
- Documentation from the local governmental authority confirming that a request for a zoning change or variance has been initiated;
- List of required permits, using Attachment E;
- Documentation sufficient to demonstrate progress on each of the applicable items delineated in the previous section.

#### **Threshold Category 4: Project Development**

Proposers must demonstrate that they have experience in developing electric generation facilities. Specifically, the Proposer or the principals in its development team must have developed at least one electrical generation facility of similar or larger scale. NYSERDA will not consider aggregated portfolios of generation facilities as a project under this criterion. For the purposes of this criterion, similar scale is defined as follows:

- A project of at least 33% of the proposed Bid Facility capacity, in MW; or

- A project of at least 10% of the proposed Bid Facility capacity, in MW, if the Proposer has also successfully completed the same interconnection process in the same State or Jurisdiction as the proposed Bid Facility.

For a Proposal including a Bid Facility with Energy Storage, the Proposer must also demonstrate that it has experience in developing at least one Energy Storage system of similar or larger scale using the same technology as proposed.

#### Supporting Documentation Required for Project Development<sup>26</sup>

The Proposer must demonstrate it meets the threshold level of project development experience by providing the following document:

- A list of specific projects successfully developed, specifying the nameplate capacity, technology,<sup>31</sup> commercial operation date, and location using Attachment F.

### **Threshold Category 5: Resource Assessment**

Proposers are required to provide a P(50)<sup>32</sup> Resource Assessment for the Bid Facility, including the supporting documentation described below. Resource Assessments must be consistent with the Bid Facility, and if applicable, Energy Storage, as proposed to NYSERDA.

The requirements for the Bid Facility Resource Assessment are based on the Bid Facility's technology as follows and are comprised of:

- 1) An Energy Estimate, which approximates the availability of the renewable resource to be used by the Bid Facility.
- 2) A Production Estimate, which estimates the Bid Facility's ability to convert the renewable resource to electric power.

For Upgrades, provision of the Resource Assessment submitted through the Step One Resource Eligibility Determination process is sufficient to meet the Threshold Category 5 requirements.

Bid Facilities including Energy Storage shall include a P(50) Resource Assessment for the Bid Facility that includes the Energy Storage output, taking into account the Energy Storage size (MW), operating restrictions, charging, and start-up limitations (for example, cycles per year, time and energy required to go from a 0% state of

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<sup>31</sup> Resource and prime mover, e.g. solar; e.g., wind. Not meant to distinguish between different solar technologies, for example.

<sup>32</sup> P(50) represents a level of resource projection or production estimate with a 50% likelihood of being exceeded in any future year. This value shall be the expected value (i.e., the mean) based on the assessment methods. This value shall be the expected value (i.e., the mean) based on (i) multi-year historical resource data or (ii) as applicable to the Bid Facility based on the criteria listed for the associated resource.

charge to 100% state of charge, the amount of energy delivered at maximum from 100% state of charge to 0% state of charge).<sup>33</sup>

### **Solar**

An acceptable Resource Assessment includes an Energy Estimate and a Production Estimate consistent with the Bid Facility as described below.

- 1) Energy Estimate which characterizes the expected P(50) insolation at each site and is typically based on long-term measured data at a nearby site or via satellite-based models. The Energy Estimate can be met with any of the following:
  - a. NREL or similar government issued dataset Typical Mean Year (TMY2)<sup>34</sup> or National Solar Radiation Database (NSRDB) 1991-2010<sup>35</sup> data from a site 50km or closer to the project location.
  - b. A satellite-based resource estimate using Meteosat, GMS, GOES or AMTSAT or similar data (e.g. 3 Tier (now Vaisala)); Solar GIS; SolarAnywhere or Meteonorm.
  - c. At least one year of hourly measured site data, used to adjust a distant long-term reference station or data set.
- 2) Production Estimate which characterizes how well the Bid Facility will convert solar radiation into electric power. It must be based upon the Energy Estimate described above and specific to the conversion technology (e.g. photovoltaic) and mounting design (e.g., fixed-tilt, single- or double-axis tracking) proposed for the Bid Facility. The Production Estimate should be based on an hourly P(50) 8760 from a system performance model, using industry standard tools such as PVWatts (for rooftop projects), PVSyst, Helioscope or System Advisory Model (SAM).

### **Supporting Resource Assessment Documentation Required for Solar Bid Facilities:**

An Energy Estimate and Production Assessment as described above.

### **Wind**

An acceptable Resource Assessment includes an Energy Estimate and a Production Estimate consistent with the Bid Facility as described below.

- 1) Energy Estimate which characterizes the Bid Facility's wind resource (e.g. long-term mean wind speed, direction and density characteristics at hub height) can be satisfied through either measured data or modeled data.
  - a. Measured Data: Wind and temperature measurements that are taken at elevations below the planned hub height must be extrapolated to

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<sup>33</sup> Proposers will need to complete two separate Resource Assessments for the separate Step Two Applications for Qualification, one with and one without Energy Storage. See Sections VII and IX C (5).

<sup>34</sup> Available from NREL by State [http://rredc.nrel.gov/solar/old\\_data/nsrdb/1961-1990/tmy2/State.html](http://rredc.nrel.gov/solar/old_data/nsrdb/1961-1990/tmy2/State.html)

<sup>35</sup> Available from NREL [http://rredc.nrel.gov/solar/old\\_data/nsrdb/1991-2010/](http://rredc.nrel.gov/solar/old_data/nsrdb/1991-2010/)

represent hub height speed, direction and air density conditions. Measurement campaigns must include least six (6) continuous months of observed wind data on the site. The measured characteristics must be annually and climatologically adjusted via one or more high quality, long-term<sup>36</sup> reference station or data sets.

- b. Modeled Data: Modeled data must be representative of long-term<sup>36</sup> average Bid Facility conditions at hub height. The Proposer shall provide either i) Bid Facility site-specific modeled wind conditions derived by an experienced practitioner using appropriate flow modeling tools for the environment and site conditions (the Proposer should include a description of the practitioner's experience); or ii) Existing validated wind maps produced by an experienced 3rd-party for the Bid Facility are acceptable when the source is cited.
- 2) Production Estimate which characterizes how well the Bid Facility will convert available wind into electric power. It must be based upon the Energy Estimate described above and combined with an assumed project configuration consistent with the Bid Facility that includes turbine characteristics, project layout, site conditions and technical losses. The Production Estimate shall be presented on an annual and/or project lifetime scale, the methods and/or software employed for assessing gross and net energy production must be identified and described, and the experience and/or credentials of the author must be identified. The Production Estimate must be based on an hourly P(50) 8760 schedule with Bid Facility site-specific inputs and technical losses. The Proposer should include initial estimated technical losses and describe the methods employed to estimate the losses, or the assumptions made to assign initial values. The defined values must be aggregated into a total loss value that is used to convert gross energy generation estimates to net energy production estimates, and an initial estimate of project net energy uncertainty should be included. Initial estimated technical losses include:
- Wake Effects: includes the internal wake effects of the proposed Bid Facility turbines, as well as the effects of any existing or planned projects in the vicinity.
  - Availability: includes losses associated with the availability of the Bid Facility wind turbines, balance of plant and the grid.
  - Electrical: includes the electrical efficiency of the Bid Facility between the low or medium voltage side of the wind turbine transformer and the energy measurement point (meter), including any facility parasitic consumption.
  - Turbine Performance: includes all losses associated with any sub-optimal plant performance and expected deviations from the assessed power curve, along with any losses expected from the hysteresis loop between high wind cut-out and re cut-in.

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<sup>36</sup> Long-term conditions are considered to be 10 years of data or Bid Facility operation (wind).

- Environmental: includes loss effects due to environmental parameters such as icing, blade degradation, high/low temperature shutdown, exposure changes, etc.
- Curtailment/Operational Strategies: includes the effects of curtailments, including any required for turbine loading, grid, or environmental permits. Also includes the effects of any other operator-defined operational strategies, not captured in the power curve.

Supporting Resource Assessment Documentation Required for Wind Bid Facilities:

An Energy Estimate and Production Assessment as described above.

**Hydroelectric**

An acceptable Resource Assessment includes an Energy Estimate and a Production Estimate consistent with the Bid Facility as described below.

- 1) Energy Estimate which characterizes expected P(50) stream flow from USGS gauges and net head assumptions for the Bid Facility Site, calculated based on monthly to daily average flow values derived from a robust set of relevant historical flow data. The expected P(50) stream flow estimate and related energy calculations should provide adequate and applicable data to demonstrate the amount of renewable resource available, based on a combination of measured or modeled data that includes:
  - a. Monthly historical stream flow averages from USGS gauges or similar sources (if not USGS, describe the source) for 20 years. If less than 20 years is available, specify the duration available.
  - b. Adjustments to calibrate measured values to expected flow available at the Bid Facility site, identifying the distance of the gauge from the Bid Facility site.
  - c. Adjustments to reasonably estimate applicable changes to available stream flow measurements (e.g., minimum flows, other water uses or interests, or flows available from upstream hydroelectric resources, if applicable) which may impact the quantity or temporal profile of water available to the Bid Facility.
  - d. Net head assumptions for the Bid Facility site.
  - e. Identification of expected energy production under normal conditions.
- 2) Production Estimate prepared by an independent NYS Professional Engineer not affiliated with the Proposer with monthly granularity, based on the resource estimate, reflecting historical statistics, and industry standard efficiency and loss estimates, that includes the following:
  - a. Estimates of the overall efficiency (e.g., taking into account the combination of turbine, generator and step-up efficiency factors) based on industry standards.
  - b. Estimate(s) for applicable losses.
  - c. Estimates of forced outage and planned maintenance based on typical industry standard factors.

For Bid Facilities with existing impoundment facilities, the Resource Assessment should demonstrate dam viability by including the most recent FERC dam condition report.

Supporting Resource Assessment Documentation Required for Hydroelectric Bid Facilities:

An Energy Estimate and Production Assessment as described above.

**Fuel Cells**

An acceptable Resource Assessment includes an Energy Estimate and a Production Estimate consistent with the Bid Facility as described below.

- 1) Energy Estimate which includes a fuel assessment and fuel interconnection plan describing the Bid Facility's annual fuel quantity requirement, the type(s) and source(s) of the fuel, an assessment of available fuel for the Bid Facility, the Bid Facility's proximity to the fuel interconnection (ability to provide fuel at sufficient pressure to operate), and specification of known equipment or improvements necessary to connect the Bid Facility with the fuel supply.
- 2) Production Estimate including a supply plan that describes how the fuel will be supplied, such as the percentage of the total fuel that will be procured from a spot market, Local Distribution Company (LDC) tariff, or longer-term contract (specify duration), and the transportation pipeline(s) used. If applicable, include a description of the gas supply and transportation tariff or proposed contractual arrangements, whether firm or interruptible, for the term proposed to NYSDORA.

Supporting Resource Assessment Documentation Required for Fuel Bid Facilities:

An Energy Estimate and Production Assessment as described above.

**Biomass and Biogas**

An acceptable Resource Assessment includes an Energy Estimate and a Production Estimate consistent with the Bid Facility as described below which includes a feedstock/fuel assessment, and if applicable, a fuel interconnection plan, in conjunction with a supply plan, prepared by a qualified independent 3<sup>rd</sup>-party not affiliated with the Proposer.

- 1) Energy Estimate which includes a feedstock/fuel assessment that describes the Bid Facility's annual fuel quantity requirement, the type(s) and source(s) of the fuel, an assessment of available fuel for the Bid Facility, the Bid Facility's proximity to the fuel, specification of known equipment or improvements necessary to connect the Bid Facility with the fuel supply, and ability to provide fuel sufficient to operate.
- 2) Production Estimate including a supply chain (and fuel interconnection for biogas) plan that describes how the fuel will be supplied, addressing if there is or will be sufficient fuel/feedstock to supply the Bid Facility throughout the life or term of the Contract Tenor proposed. The plan should address how fuel will be available (both in the short and long-term) at prices sufficient to



support the Bid Facility. Proposers will include and describe the risks to the fuel/feedstock supply (e.g., disruption or price increase resulting in unsustainable operations). If applicable, describe any current operating permits and/or future permitting plans (e.g., future landfill expansions to meet the production consistent as proposed and waste disposal contract risks) or issues surrounding regulatory authority (including demographic and waste disposal trends) to support expansions. The information provided in the Permitting Project Viability Category (Attachments D and E, if applicable, and other documentation provided) should support the Production Estimate.

Supporting Resource Assessment Documentation Required for Biomass and Biogas Bid Facilities:

An Energy Estimate and Production Assessment as described above.

**Ocean/Tidal**

An acceptable Resource Assessment includes an Energy Estimate and a Production Estimate consistent with the Bid Facility as described below, prepared by a qualified independent 3<sup>rd</sup>-party not affiliated with the Proposer.

- 1) Energy Estimate which characterizes expected P(50) ocean wave, tidal range, tidal current, or ocean current energy resources. The Energy Estimate should identify the area of high energy consistent with Attachment C. Summary of Site Control, quantify the average annual energy resource (e.g., total annual wave energy) and describe Bid Facility site specific parameters, such as significant wave height, wave energy period (peak and mean), and mean wave direction and type of quality of data (e.g., buoy measurements, radar measurements, modelled wave generation). The related energy calculations should provide adequate and applicable data to demonstrate the amount of renewable resource available based on measured or modeled data.
- 2) Production Estimate which characterizes annual P(50) energy production with monthly granularity describing the process through which the Bid Facility converts available Ocean/Tidal energy into electric power. The Production Estimate must be based on the Ocean/Tidal Resource Estimate (described above) and combined with an assumed project configuration consistent with the Bid Facility that includes the project layout, site conditions, planned maintenance, efficiencies and technical losses. The Production Estimate shall be presented on an annual and/or project lifetime scale, the methods and/or software employed for assessing gross and net energy production must be identified and described, and the experience and/or credentials of the author must be identified.

Supporting Resource Assessment Documentation Required for Ocean/Tidal Bid Facilities:

An Energy Estimate and Production Assessment as described above.

## **Step Two Application for Qualification Narrative Overview**

The Proposer will provide an attachment containing a narrative describing how the Bid Facility, and if applicable, Energy Storage, meets or exceeds the Minimum Threshold Criteria in each Project Viability category. The narrative overview should complement the supporting documentation required for each category.

### **Bid Deposit**

The Step Two Application for Qualification package must be accompanied by a Bid Deposit, in the form of electronic wire deposit (preferred) or certified funds, in an amount determined by the Nameplate Capacity of the Bid Facility. Proposers must indicate that they have submitted a Bid Deposit with their application and attached proof of the provision of a Bid Deposit, such as a receipt.

Required Bid Deposit amounts are as follows:

| Nameplate Capacity: | Bid Deposit: |
|---------------------|--------------|
| Less than 5.00 MW   | \$5,000      |
| 5.00 – 19.99 MW     | \$20,000     |
| 20.00 – 49.99 MW    | \$50,000     |
| 50.00 MW or more    | \$100,000    |

All Bid Deposits must be clearly labeled with a unique identifier comprised of the facility's NYGATS ID and the RFP Tracking Number, in the format: GENXXXXX\_RESRFP18-1, or PROXXXXX\_RESRFP18-1, or IMPXXXXX\_RESRFP18-1. Only Bid Facilities that have received confirmation of a Step One Resource Eligibility Determination are eligible to submit a Step Two Application for Qualification package.

Bid Deposits provided via electronic wire deposit must have this unique identifier included within the Payment Details/ Description. Bid Deposits provided via cashier's check must have this unique identifier clearly labeled within the Memo or elsewhere on the check.

If the Proposer is submitting multiple Step Two Application for Qualification packages for more than one Bid Facility, a separate Bid Deposit must be submitted for each Bid Facility, and the Bid Facility must be clearly identified on the payment method in addition to the unique identifier, e.g.

Project Name, GENXXXXX\_RESRFP18-1 or PROXXXXX\_RESRFP18-1 or IMPXXXXX\_RESRFP18-1

### **Electronic Bid Deposit Instructions:**

If paying via ACH:

Name of Bank: Bank of America

For the Account of: NYSERDA MAC 30

ABA #: 021000322

Account #: Please contact [res@nyserda.ny.gov](mailto:res@nyserda.ny.gov)  
Description/reference: (NYGATS ID followed by RFP Tracking Number, e.g.,  
GENXXXXX\_RESRFP18-1 or PROXXXXX\_RESRFP18-1 or IMPXXXXX\_RESRFP18-1

If paying via wire:

Name of Bank: Bank of America  
For the Account of: NYSERDA MAC 30  
ABA #: 026009593  
Account #: Please contact [res@nyserda.ny.gov](mailto:res@nyserda.ny.gov)  
Description/reference: (NYGATS ID followed by RFP Tracking Number, e.g.,  
GENXXXXX\_RESRFP18-1 or PROXXXXX\_RESRFP18-1 or IMPXXXXX\_RESRFP18-1

If paying via Certified Funds:

If the Bid Deposit is provided via a cashier's check or other certified funds, the Bid Deposit must be clearly labeled with the facility's NYGATS ID followed by RFP Reference, e.g., GENXXXXX\_RESRFP18-1 or PROXXXXX\_RESRFP18-1 or IMPXXXXX\_RESRFP18-1, and sent to:

Joanne Sullivan, RESRFP18-1  
NYS Energy Research and Development Authority  
17 Columbia Circle  
Albany, NY 12203-6399

Return of Bid Deposit:

Bid Deposits will be refunded to Proposers who: (1) elect not to submit a Step Three Bid Proposal, (2) are deemed ineligible by NYSERDA to participate in Step Three, or (3) who withdraw a Bid Proposal on or before October 1, 2018 (See Section IV. Schedule). Bid Deposits will be refunded to Proposers whose Bid Proposals have not been selected for an award, if not before, upon the expiration of the time during which the Bid Proposal remains an open offer.

Bid Deposits will be refunded to Proposers whose Bid Proposals have been selected for an award upon execution of the RES Standard Form Agreement (Attachment H), and:

- 1) for Operating Facilities with an SoQ, upon (i) unless otherwise agreed by NYSERDA in writing, NYSERDA's receipt that a Forward Transfer of NYGATS Certificates has been created, and (ii) the first Tier 1 REC transfer to NYSERDA's designated account has occurred.
- 2) for Facilities not yet operational with a PSoQ, upon NYSERDA's receipt of Contract Security as described in Section XI (3).

Bid Deposits will not be refunded if a facility is awarded a contract under RESRFP18-1 and Proposer fails to execute NYSERDA's RES Standard Form Agreement (Attachment H) within a reasonable time following notification of an award.

## **VIII.STEP TWO NOTICE OF QUALIFICATION**

NYSERDA will evaluate each Step Two Application for Qualification package, including all threshold supporting documentation, for completeness and against the Minimum Qualification criteria specified in this RFP.

- Proposers whose Step Two Application for Qualification packages are found not to satisfy the minimum thresholds or to be deficient in some other respect will receive notification that they are not eligible to submit a Step Three Bid Proposal.
- Proposers deemed qualified to submit a Step Three Bid Proposal will be emailed a Notice of Qualification, which will include the Maximum Contract Tenor described below as well as instructions on how to submit a Step Three Bid Proposal.

### **Maximum Contract Tenor**

Information provided with the Step Two Application for Qualification packages will also be used to determine the Maximum Contract Tenor available to the Bid Facility; the Notice of Qualification provided after Step Two Application for Qualification submission will include the applicable Maximum Contract Tenor. The Contract Tenor offered in Step Three for a particular Bid Facility will be limited by the term of the Maximum Contract Tenor. For all Bid Facilities not in Commercial Operation as of the RFP Release Date<sup>20</sup>. The Maximum Contract Tenor will be calculated as the lesser of:

- (1) 20 years, or
- (2) the Bid Facility's Useful Life.

For all Bid Facilities in Commercial Operation as of the RFP Release Date<sup>20</sup>, the Maximum Contract Tenor applicable to the project's bid will be calculated as the lesser of:

- (1) 20 years (240 months) minus the number of years (months) between the year (month) of Commercial Operation and the RFP Release Date<sup>20</sup> (rounded to the nearest full year), or
- (2) The Bid Facility's Useful Life minus the number of years (months) between the year (month) of Commercial Operation and the RFP Release Date<sup>20</sup> (rounded to the nearest full year).

For a Return to Service Facility, the date of Commercial Operation for purposes of calculating the Maximum Contract Tenor shall be the original date of Commercial Operation prior to the outage. For a Relocated Facility, the date of Commercial Operation for purposes of calculating the Maximum Contract Tenor shall be the first date of Commercial Operation in the original control area.

The following table lists the Useful Life by resource for use in the calculations of Maximum Contract Tenor for this RFP. This table was developed using references from published industry sources.

**Table 1. Default Values for Useful Life used to determine Maximum Contract Tenor**

| <u>Resource</u>                | <u>Useful Life (years)</u> |
|--------------------------------|----------------------------|
| Anaerobic Digestion            | 20                         |
| Biomass/Liquid Biofuel         | 20                         |
| Fuel Cell <sup>37</sup>        | 20                         |
| Hydroelectric (New or Upgrade) | 50                         |
| Landfill Gas to Electricity    | 15                         |
| Solar PV                       | 20                         |
| Tidal/Ocean                    | 10                         |
| Wind                           | 20                         |

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<sup>37</sup> Proposers submitting Step Three Bid Proposals for Fuel Cell Bid Facilities offering a Contract Tenor longer than 10 years will be required to provide, prior to NYSERDA's execution of an Agreement, an executed Bid Facility operations and maintenance agreement with the Bid Facility's host customer for a term which is greater than or equal to the proposed Contract Tenor.

## STEP THREE - BID PROPOSAL

### IX. STEP THREE BID PROPOSAL

Proposers receiving a Notice of Qualification will be invited to submit a Step Three Bid Proposal which will require additional information including a Bid Price and more detailed information about the proposed project, the developer, and the maturity and experience of each. Additional information and materials beyond what is identified in this RFP may also be requested by NYSERDA.

RESRFP18-1 is a competitive procurement. The competitive procurement rules limit NYSERDA's ability to alter the terms of the RES Standard Form Agreement (Attachment H) issued with this RFP. However, as part of the Step Three Bid Proposal, Proposers may indicate terms of the Agreement that they wish to further discuss by providing an attachment in the form of a memorandum. The memorandum should specifically identify any terms and conditions that the Proposer wishes to clarify or negotiate prior to execution. When constructing the memorandum, please identify the Article in the Agreement and state the nature of the issue to be discussed. Should the Bid Facility receive an award, NYSERDA will contact Proposers to schedule a discussion regarding the terms identified in the memorandum.

The indication by a Proposer that it wishes to negotiate the terms of the RES Standard Form Agreement will have no impact on the scoring or evaluation of the Bid Proposal.

#### **A. Deadline for Submitting a Step Three Bid Proposal**

The Step Three Bid Proposal must be completed via electronic submission on-line before the deadline. The complete Step Three Bid Proposal must be **received** by NYSERDA no later than **3:00 p.m. ET on Thursday, August 16, 2018, via electronic submission**. NYSERDA recommends that Proposers reserve ample time to address the Step Three Bid Proposal requirements for each Bid Facility. NYSERDA staff will be available to support Proposer's Step Three Bid Proposal inquiries through 3:00 p.m. on Thursday, August 16, 2018.

#### **B. Step Three Bid Proposal Scoring**

Step Three Bid Proposals will be evaluated and scored based on: (1) the Bid Price, which will be weighted at 70% of the overall score, and (2) non-price factors, which will have a combined weight equaling 30% of the overall score.

The 30% non-price component is divided into three equally-weighted categories:

1. 10% Incremental Economic Benefits to New York State;
2. 10% Project Viability beyond the Minimum Thresholds; and
3. 10% Operational Flexibility and Peak Coincidence.

Appendices 1, 2 and 3 provide detailed explanations of the scoring rubrics for each of the non-price categories; an overview of these categories is included below.

### **C. Submitting a Step Three Bid Proposal**

The Notice of Qualification received by Proposers for Bid Facilities deemed qualified under Step Two will include instructions on how to submit a Step Three Bid Proposal. The Step Three Bid Proposal must be complete in all respects and uploaded using NYSERDA's specified website in accordance with the instructions provided. All electronic signatures must be provided as indicated.

With the Notice of Qualification, Proposers will be provided with a complete Step Three Bid Proposal package that consists of relevant instructions and access to an electronic application that includes the following:<sup>38</sup>

- 1) Bid Facility Overview – Confirmation or modification of the narrative description of the Bid Facility, Site, and Generating Equipment, Interconnection Description, Project Schedule, Project Contracts, and Bid Facility Site Address provided in the Step Two Application for Qualification;<sup>39</sup>
- 2) Bid Quantity, Bid Price, and Contract Tenor;
- 3) Incremental Economic Benefits Claims;
- 4) Project Viability
  - a. Instructions to provide documentation to demonstrate the current level of progress in any of the Project Viability Categories beyond the documentation provided in the Threshold Categories in Step Two (Site Control, Interconnection, Permitting, Project Development, and Resource Assessment);
  - b. Instructions to complete the Site Character subcategory;
  - c. Instructions on how to pledge additional Contract Security (if so elected);
- 5) Operational Flexibility and Peak Coincidence
  - a. Instructions to provide documentation to demonstrate dispatchability for the Bid Proposal, and if applicable, Energy Storage;
- 6) Community Outreach Plan; and
- 7) Public Release of Bid Facility Information Form (Attachment I).

Any attachment provided to NYSERDA should state the Bid Facility Name, NYGATS ID, and the page number. Attachment files are limited to 20 MB. Proposers should seek to balance responsiveness with brevity. Unnecessary attachments or lengthy responses beyond those sufficient to present a complete, comprehensive, and effective response will not influence the evaluation of the proposal.

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<sup>38</sup> If the proposed Bid Facility is currently in operation, the Step Three Bid Proposal package is only required to include applicable portions of the Bid Facility Overview; Bid Quantity, Bid Price, and Contract Tenor; if applicable, Operational Flexibility and Peak Coincidence attachments and information; and the Public Release of Bid Facility Information Form. The Bid Facility will receive no points in the Incremental Economic Benefits category and maximum points in all Project Viability categories except Site Character.

<sup>39</sup> If incremental progress has been made since completing Step Two, a description of the updates and progress made must be included in the Step Three Bid Proposal.

The Proposer is responsible for the accuracy of all information delivered to NYSERDA. NYSERDA will only consider Step Three Bid Proposals that are substantially complete and include all applicable and required information and representations. Failure to provide any information requested may result in the Step Three Bid Proposal being declared non-responsive and rejected.

The submission of a Step Three Bid Proposal will constitute a binding offer to contract under the terms of the RES Standard Form Agreement (Attachment H); such offer must remain open for a period of at least sixty (60) days from the Step Three Bid Proposal deadline. Should a Proposer wish to submit a Bid Proposal with Energy Storage, the Proposer will also be required to submit a separate Bid Proposal without Energy Storage.

### **1) Bid Facility Overview**

NYSERDA will provide Proposers with access to an electronic Bid Facility Overview section that is based on the Bid Facility's characteristics and information provided to NYSERDA in the associated Step Two Application for Qualification. Proposers will be responsible for submitting one fully completed Bid Facility Overview for each Bid Facility. The Bid Facility Overview requests relevant details about the Proposer and Bid Facility and includes an attestation by the Proposer regarding the accuracy and truthfulness of the information and documentation provided by the Proposer. The Proposer will update relevant Bid Facility contacts, confirm the Bid Facility Site address, and will have the opportunity to confirm and/or update the: (1) Bid Facility, Site, and Generating Equipment Description, (2) Interconnection Description, and (3) Project Schedule.

If information provided to NYSERDA in the Step Three Bid Proposal reflects significant changes, as compared to the information provided in the Step Two Application for Qualification, the Proposer will include an explanation of these changes in its Step Three Bid Facility Overview.

### **2) Bid Quantity, Bid Price, and Contract Tenor**

The Bid Quantity, Bid Price, and Contract Tenor section includes fields for the Proposer to calculate the annual number of Tier 1 RECs (Bid Quantity) offered to NYSERDA and the Contract Tenor, subject to the following restrictions:

- a) Proposers may submit bids for any Contract Tenor of a minimum of one year and a maximum of the Maximum Contract Tenor identified in the Bid Facility's Notice of Qualification.
- b) For wind, solar, and hydroelectric resource types, the Expected Annual Eligible Production shall not exceed the P(50) annual energy production estimate provided under Step Two or a refined P(50) provided under the Step Three Bid Proposal.
- c) The Bid Quantity Percentage shall be no less than thirty percent (30%) and no greater than one hundred percent (100%) of the Expected Annual Eligible Production.



Proposers will be responsible for submitting one Bid Price with each Bid Proposal. The Bid Price provides the fixed price to be paid for each Tier 1 REC associated with energy generated by the Bid Facility and accepted by NYSERDA for the term of the Contract Tenor.

### **3) Incremental Economic Benefits Claims**

One of the non-price evaluation criteria will consider the Incremental Economic Benefits expected to accrue to New York because of the development, construction/modification, and operation of the Bid Facility. Incremental Economic Benefits are those that a Proposer can demonstrate: (1) will accrue after an award under this RFP, and (2) would not have accrued but for the award of a contract under this RFP.

Incremental Economic Benefits previously claimed with respect to a Bid Facility that is subject to a pending award under a previous solicitation or that is the subject of a current NYSERDA RPS or RES contract are not eligible for evaluation.

Proposers must provide complete information along with the supporting documentation or requested data in the following four categories:

- a) Long-Term New York State Jobs;
- b) Payments/Benefits to New York State and/or its Municipalities;
- c) Payments for Renewable Fuels and Resource Access; and
- d) In-State Purchases, Consumption of Goods, and Short-term Employment.

All laborers, workmen and mechanics, within the meaning of NYS Labor Law Article 8, performing construction activities with respect to the Bid Facility and Energy Storage, if applicable, including, but not limited to, the staging, installation, erection and placement of Bid Facility and its electrical interconnection as well as start-up and commissioning of the Bid Facility, whether through long-term or short-term employment, must be paid at least the applicable Prevailing Wage applicable in the area where the Bid Facility will be situated, erected and used, as published by the [NYS Department of Labor](#) (DOL)<sup>40</sup> or at least the equivalent Prevailing Wage requirements of the jurisdiction where the Bid Facility is located. This requirement applies: (1) to all laborers, workmen and mechanics performing construction activities, whether they be direct employees of the Seller or of Seller's subcontractor(s), and (2) regardless of whether or not Seller claimed such employment as an Incremental Economic Benefits in its Bid Proposal.

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<sup>40</sup> For NYS DOL Prevailing Wage Schedules, please visit:  
<https://applications.labor.ny.gov/wpp/publicViewPWChanges.do?method=showIt> and  
<https://applications.labor.ny.gov/wpp/showSearchWageSchedulePublic.do?method=showIt>

NYSERDA will audit the Seller's payment practices as part of Operational Certification as described in Appendix 1. Should NYSERDA determine the Seller has failed to pay at least the Prevailing Wage, NYSERDA will notify Seller in writing and suspend payments to the Seller until any discrepancy in payment is cured; the cure period will continue for 12 months from the date of notification, after which time the Agreement will be considered in default.

Independent audit and verification of the actual Incremental Economic Benefits of the Bid Facility and comparison to the level of claimed Incremental Economic Benefits will be required after the first three years of the Contract Delivery Term, as described in Section XII.

See Appendix 1 for a detailed description of eligibility and the evaluation and scoring process for Incremental Economic Benefits.

#### **4) Project Viability**

The Step Three Bid Proposal includes the following seven Project Viability subcategories:

- (a) Site Control;
- (b) Interconnection;
- (c) Permitting;
- (d) Project Development;
- (e) Resource Assessment;
- (f) Site Character; and
- (g) Pledge of Additional Contract Security.

Proposers receiving a Notice of Qualification for participation in Step Three will be provided with the opportunity to demonstrate that they have exceeded the minimum Project Viability qualification threshold(s) beyond the information provided in Step Two Application for Qualification packages for Site Control, Interconnection, Permitting, Project Development, and Resource Assessment.

Scoring for all Project Viability subcategories will be based on the Project Viability documentation received in Step Two and Step Three. See Appendix 2 for a detailed description of the evaluation and scoring process for Project Viability.

For the Project Viability - Site Character subcategory (4(f)), Bid Proposals will be evaluated according to the Proposer's level of willingness to site and construct the Bid Facility's Permanent Physical Footprint in locations that avoid encroachment on land with agricultural importance to New York State by committing to avoid overlap with prime agricultural areas and to avoid development on parcels that at the time of the Bid held an agricultural assessment. Proposers may claim Site Character points in exchange for attesting that:

- 1) The permanent generation, interconnection and, if applicable, Energy Storage footprint (Permanent Physical Footprint) associated with the Bid Facility will avoid land identified by the United States Department of Agriculture (USDA) as prime farmland and prime farmland if drained ("Prime Farmland"). NYSERDA has provided Proposers with an [interactive, web-based Site Character map and downloadable GIS files](#) (SHP format) to identify Prime Farmland areas associated with the Bid Facility's project parcels<sup>41</sup>, and/or
- 2) The permanent generation, interconnection and, if applicable, Energy Storage footprint (Permanent Physical Footprint) associated with the Bid Facility will avoid parcels with an agricultural assessment at the time of Step Three Bid Proposal submittal. NYSERDA advises Proposers to consult with landowners or County Tax Assessment roles to determine if an agricultural assessment applies to a project parcel(s).

To earn points, Proposers submitting Step Three Bid Proposals for wind and solar Bid Facilities must also agree to construct the Bid Facility in accordance with New York Department of Agriculture and Markets (DAM) Construction Standards (Exhibit E).

During NYSERDA's Operational Certification process, Bid Facilities for which Site Character points were awarded will be required to provide NYSERDA with a detailed site map, consistent with the final build, such that NYSERDA can determine the Bid Facility's adherence to the original claim(s) (Defined Percentage(s)). NYSERDA will calculate the percentage of the Bid Facility's Permanent Physical Footprint that is free from Prime Farmland, and/or parcels with an agricultural assessment.

NYSERDA will retain twenty-five percent (25%) of the Bid Facility's Contract Security. Such amount shall be refunded to Seller should NYSERDA determine, through Operational Certification (which will review the final site plan and the Site Character Map provided to Seller), that the percentage of encroachment of the Permanent Physical Footprint of the Bid Facility is equal to or less than the Defined Percentage(s). Such amount shall be forfeited to NYSERDA by Seller should NYSERDA determine, through Operational Certification (which will review the final site plan and the Site Character Map provided to Seller), that the percentage of encroachment of the Permanent Physical Footprint of the Bid Facility is greater than the Defined Percentage(s).

For wind and solar Bid Facilities where Site Character points were awarded, NYSERDA will retain twenty percent (20%) of the Bid Facility's Contract Security for a period of 365 days following the date upon which the project achieves Commercial Operation. Upon such date, NYSERDA will: (1) refund the retained Contract Security; or (2) if the New York State Department of Agriculture & Markets (DAM) has notified NYSERDA that the Bid Facility was not constructed in accordance with the DAM Construction Standards

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<sup>41</sup> RESRFP18-1 Project Viability Site Character Map and associated GIS files are available from <https://www.nyserra.ny.gov/resrfp18-1-resources>

(incorporated herein and made part hereof at Exhibit E), NYSERDA will provide written notice to Seller of DAM's claim and NYSERDA will retain such 20% of the Contract Security until (a) DAM notifies NYSERDA that suitable corrective action has been taken, at which point such amount shall be refunded to the Proposer, or (b) 180 days from the date upon which NYSERDA provided notice to Seller, in which case such amount shall be forfeited to NYSERDA by Seller.

Operating Bid Facilities and external Bid Facilities (those outside of the NYCA) are not eligible for Site Character points.

For the Project Viability – Pledge of Additional Contract Security subcategory, Proposers may pledge to commit amounts above the \$9/MWh minimum initial required Contract Security specified in Section XI(3), to be provided within thirty (30) days of the Award Notification Date. If applicable, Proposers will record the pledge per MWh above the minimum in their Step Three Bid Proposal on the Bid Proposal form. Points will be awarded based on the size of the pledge relative to the maximum proposed pledge of all submissions on a \$/MWh basis. The maximum pledge received will receive 100% of the points allocated to this criterion.

#### **5) Operational Flexibility and Peak Coincidence**

In this category, Proposers must provide complete information along with the supporting documentation or requested data to allow for an evaluation of the following two Operational Flexibility and Peak Coincidence subcategories.

- a) Load Matching; and
- b) If applicable, Energy Storage.

See Appendix 3 for a detailed description of the evaluation and scoring process for Operational Flexibility and Peak Coincidence.

a) The Load Matching category evaluates a Bid Facility located in the New York Control Area's (NYCA)'s ability to avoid over-generation or producing energy at times and in locations where production can be problematic. Bid Facilities located within the NYCA will provide a typical year's hourly production profile in an attachment format specified by NYSERDA that is consistent with the output from the Step Two Application for Qualification Threshold Resource Assessment or any updates provided in the Step Three Bid Proposal. External Bid Facilities (those outside of the NYCA) are not eligible for Load Matching points.

b) Energy Storage capabilities and market rules are developing and will evolve as the Energy Storage marketplace matures. Proposers are encouraged to consult with the NYISO and/or any interconnecting utility to ensure that any proposed configuration complies with existing tariffs or other requirements.

A Bid Facility paired with Energy Storage will be eligible for an award if the Energy Storage system is either:

- 1) co-located with the generation behind a single wholesale or retail meter in the NYCA, or
- 2) co-located with the generation behind a separate wholesale or retail meter in the NYCA, or
- 3) located in a separate location from the generation inside the NYCA.

External Bid Facilities (those outside of the NYCA) are not eligible for Operational Flexibility and Peak Coincidence points.

Note that, under the RES Standard Form Agreement (Attachment H), NYSERDA will make payment only for Tier 1 RECs delivered to NYSERDA's NYGATS Account. If the Energy Storage is charged from the co-located renewable generation, the energy discharged from the storage will generate Tier 1 RECs which will be eligible for payment. Should the Bid Facility/Energy Storage facility receive an award, the Proposer will be required, at the time of contracting, to demonstrate to NYSERDA's satisfaction that the project will be configured and metered in a way that will ensure that Tier 1 RECs are created only based on energy generated by the Tier 1 Bid Facility generating facility. Energy Storage facilities that are located separate and apart from the Bid Facility may store energy from the grid but will not create Tier 1 RECs and therefore the associated generation will not be eligible for payment under the RES Standard Form Agreement.

If proposed for inclusion, Energy Storage must have a minimum Energy Storage capability, in Megawatt hours, determined by the Bid Facility's Nameplate Capacity. See Appendix 3 for a detailed description of the minimum Energy Storage requirements.

#### **6) Community Outreach Plan**

Proposers will provide a complete description and overview of the public outreach plan associated with the Bid Facility, and if applicable, Energy Storage. If applicable, include information on specific localized support and/or opposition to the project. Describe all outreach activities, status to date, and future plans, highlighting previous interaction(s) with the local jurisdiction(s), and specifying in as much detail as possible (including dates/times and method), interaction(s) with local official(s) (e.g., town supervisor, planning board chief executive, code enforcement officer, other). Proposer should align this response with the list of permits requested in Attachment E. List of Required Permits.

The Community Outreach Plan should describe any local ordinances (including zoning prohibitions or moratoria) that would limit the project's size, location, or schedule, and include Proposer's plans to address these issues. If the Bid Facility or the Energy Storage are not currently zoned or permitted, identify present and required zoning and/or land use designations and provide a plan and timeline to secure the necessary approvals.

The Proposer may provide documentation identifying the level of public support for the Bid Facility (e.g., letters from public officials) or copies of any agreements with any

jurisdiction impacted by the Bid Facility as attachments to the Step Three Bid Proposal in the Additional Documentation section.

### **7) Public Release of Bid Facility Information**

Each Step Three Bid Proposal must be accompanied by a completed Attachment I, Public Release of Bid Facility Information. This document will be posted publicly on NYSERDA's website shortly after the Step Three Bid Proposal deadline. Attachment I must be complete in all respects other than the NYISO Interconnection Queue Number and the Article 10 status fields, which may not be applicable to all submissions. The information in Attachment I must be consistent with and not conflict with other information submitted in the Step Three Bid Proposal. NYSERDA will not redact any information provided on Attachment I. **Attachment I will be made available to the public by NYSERDA soon after Step Three Bid Proposals are received.**

## **X. STEP THREE BID PROPOSAL EVALUATION**

NYSERDA will employ a scoring system comprised of four evaluation components totaling 100 points:

- 1) Incremental Economic Benefits: 10 points
- 2) Project Viability: 10 Points
- 3) Operational Flexibility and Peak Coincidence: 10 Points
- 4) Bid Price: 70 Points

Pursuant to the February 22, 2017 PSC [Order Approving the Phase 1 Implementation Plan](#) and the subsequent [Final Phase 1 Implementation Plan and Final Phase 2 Implementation Plan](#), a Technical Evaluation Panel (TEP), consisting of NYSERDA staff, DPS Staff, and Independent Evaluators (outside reviewers who possess unique proficiency in the evaluation of energy generation projects) will evaluate and award points for the non-price evaluation components of each Bid Proposal.<sup>42</sup> The Bid Price evaluation will be conducted by NYSERDA. The evaluation for each of these categories is described below.

### **A. Scoring Criteria**

#### **1. Incremental Economic Benefits: 10 Points Maximum**

The TEP will evaluate and award up to 10 points to Bid Proposals based on the degree to which each Bid Proposal demonstrates a contribution to the four economic benefits categories listed in Section IX C(3). Only those Incremental Economic Benefits meeting the eligibility criteria and falling within the defined categories in Section IX C(3) will be considered for evaluation. The TEP will award a maximum of 10 points across the four categories in proportion to the level of eligible claims, normalized across all Bid Facilities by dividing each Bid Facility's the eligible claims by each Bid Facility's Bid Capacity (\$/MW). **See Appendix 1 for a detailed description of eligibility and the scoring process for Incremental Economic Benefits.**

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<sup>42</sup> The Order and subsequent Plans are available on NYSERDA's CES Orders, Reports, and Filings website: <https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Important-Orders-Reports-and-Filings>

## 2. Project Viability: 10 Points Maximum

The TEP will evaluate and award up to 10 points to Bid Proposals based on the extent to which the Bid Proposal demonstrates that the Bid Facility has exceeded the Minimum Qualification Thresholds in the five categories listed in Section VII A, the Proposer's commitment to site and construct the project's Permanent Physical Footprint in locations that avoid encroachment on land with agricultural importance to New York State, and the Proposer's offer of additional Contract Security as described in Section IX C(4). The TEP will award a maximum of 10 points across the combined seven subcategories in proportion to the level of achievement demonstrated. **See Appendix 2 for a detailed description of the scoring process for Project Viability.**

## 3. Operational Flexibility and Peak Coincidence: 10 Points Maximum

The TEP will evaluate and award up to 10 points to Bid Proposals based on the evaluation of Operational Flexibility and Peak Coincidence in the two categories listed in Section IX C(5). The TEP will award a maximum of 10 points across the two categories in proportion to the level of value demonstrated. **See Appendix 3 for a detailed description of the scoring process for Operational Flexibility and Peak Coincidence.**

## 4. Bid Price: 70 Points Maximum

For evaluation purposes only, Bid Prices will be converted according to the following calculation to allow for an equitable comparison between bids of varying Contract Tenor:

$$\text{Bid Price Evaluation Metric} = \frac{\text{NPV of Expected Contract Payments}}{\text{Bid Quantity} \times \text{Contract Tenor}}$$

Where:

$$\text{NPV of Expected Contract Payments} = \sum_{2018}^{2041} \frac{(\text{Bid Price} \times \text{Calendar Year Bid Quantity})_t}{(1 + i)^{t-2018}}$$

t = Calendar Years 2018 - 2041

i = 6.40%<sup>43</sup>

- a) Bid Facilities not in Commercial Operation as of the RFP Release Date, will be evaluated as if the Contract Delivery Term commences on December 1, 2020.
- b) Bid Facilities in Commercial Operation as of the RFP Release Date will be evaluated as if the Contract Delivery Term commences on December 1, 2018.

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<sup>43</sup> The discount rate for Bid Price evaluation (DISCo Discount Rate or DDR) was established by the New York State Department of Public Service Office of Accounting, Audits and Finance.

**NYSERDA will employ a maximum acceptable Bid Price Evaluation Metric; NYSERDA will not award a contract for a Bid Facility where the Bid Price Evaluation Metric is above the maximum acceptable Bid Price Evaluation Metric.**

Bids will be sorted in ascending order per the Bid Price Evaluation Metric. The lowest bid per the Bid Price Evaluation Metric will receive the maximum points available for the Bid Price component (70 points). For all other bids, points will be awarded in proportion to where a Bid Facility's Bid Price Evaluation Metric falls within the range of all Bid Price Evaluation Metrics (e.g., from lowest Bid Price Evaluation Metric to the highest eligible Bid Price Evaluation Metric). Bids which yield a Bid Price Evaluation Metric above the maximum acceptable Bid Price Evaluation Metric will be ineligible for award.

## **B. Evaluation & Selection**

Selection will be based on the TEP's final ranking, subject to the Portfolio Risk Assessment and the RFP's procurement target.

### **1. Preliminary Rank Order**

A preliminary final ranking of Bid Proposals based on the sum of the TEP points awarded for the non-price categories (Incremental Economic Benefits Category, Project Viability Category, and Operational Flexibility and Peak Coincidence Category), and the points awarded for the Bid Price Evaluation Metric.

### **2. Portfolio Risk Assessment**

Following the development of the preliminary rank order, NYSERDA and DPS, in consultation with the TEP members, will then consider whether to apply the following factors as they may apply to the preliminary award group in making a final award group recommendation, using information provided by the relevant Proposers.

The following portfolio risk assessment limits center around the ability of the portfolio to be constructed at the proposed locations and within the required timeframe. If considering whether to apply any of the limits, NYSERDA and DPS will consider the potential cost impact of such decision (relative to the generation portfolio that otherwise would have been selected), only exercising such a limit should the impact on the generation-weighted average cost of the portfolio increase by less than 10 percent with the application of the portfolio limits.

Such limits will include:

- (a) Diversity of resources: NYSERDA and DPS may constrain any eligible technology to comprise no more than 80 percent (80%) of the award group on an annual generation basis.
- (b) Diversity of owners: NYSERDA and DPS may constrain any owner or affiliate of an owner to comprise no more than 80 percent (80%) of the award group on an annual generation basis.



- (c) Developer limitation: NYSERDA and DPS may limit awards to a specific project owner to a capacity of no more than five times the renewable capacity of the largest project that the owner has successfully brought to commercial operation in the past.

### **3. Final Award Group**

After completing the Portfolio Risk Assessment and any necessary processes below, NYSERDA and DPS will arrive at a final award group. NYSERDA and DPS may also establish a waitlist of Bid Facilities in rank order, for Bid Facility(ies) ranked below those Bid Facilities offered an initial award. Bid Proposals represent offers to contract and must remain open for a period of at least sixty (60) days from the deadline for submittal of a Step Three Bid Proposal.

NYSERDA reserves the right to reject or accept any or all bids. NYSERDA may consider information provided by Proposer in response to Section XIII(E) or otherwise obtained by NYSERDA as to indictments, convictions enforcement proceedings or investigations in accepting or rejecting a bid. NYSERDA also reserves the right to solicit revised Bid Prices and/or to make counteroffers as it deems appropriate. Notification of a re-bid, counteroffer or selection will be made by voice communication and email to the Proposer's Designated Agent(s), as identified on the Step Three Bid Proposal of this RFP. Proposer's Designated Agent(s) must be authorized to respond and to commit to counteroffers on behalf of Proposer.

NYSERDA will then notify Proposers with Bid Facilities contained in the final award group.

## **XI. POST-AWARD PROCESS**

### **1. Confidentiality**

The Proposer shall not distribute any press release or contact the media until after the contract is executed by both parties and any New York State press releases regarding the awards have been issued. If the Proposer wishes to contact the press regarding the award, the Proposer must collaborate with NYSERDA's Large-Scale Renewables Team and the Director of Communications to prepare any press release and/or to plan for any announcement.

### **2. Provision of Contract for Execution**

NYSERDA will prepare a conformed copy of the RES Standard Form Agreement (Attachment H) which will be delivered to the Proposer, in a manner to be agreed upon, for Proposer's execution and return.

NYSERDA may rescind awards to Proposers who fail to provide Contract Security within thirty (30) days of the Award Notification Date or who fail to execute the RPS Standard Agreement within a reasonable amount of time.

### **3. Provision of Contract Security**

Unless otherwise agreed to by NYSERDA in writing, Contract Security in the amount of the product of the Bid Quantity and \$9.00 (plus any Additional Contract Security pledged- see X(B)(5), above) will be required within thirty (30) days of the Award Notification Date.

### **4. Documents Required for Contracting Purposes**

NYSERDA requires the following documents prior to contract execution:

- a) Post-Award Contracting Information Form, to be provided by NYSERDA to Seller, requesting information such as Legal Business Name, State of Incorporation, Tax Identification Number (EIN), and other contractual information.
- b) Pursuant to Tax Law Section 5-a, if not previously filed for the Seller, form Tax Law ST-220-TD is required. Please consult Publication 223, Questions and Answers Concerning Tax Law Section 5-1. If filing for the first time, please indicate the "Seller" under "Contractor name" on the form. This form is filed with the NYS Tax Department and NYSERDA does not need a copy. If previously filed for the Seller, a completed form Tax Law ST-220-CA. On this form, Sellers will indicate to NYSERDA that they have filed the ST-220-TD form or the Seller previously filed ST-220-TD with the Tax Department. As a reminder, please indicate the "Seller" under "Contractor name" on the form.
- c) Certificate of Incorporation
- d) A certificate of an appropriate officer of the Seller, in form and substance certifying: (1) the names and signatures of the officers of the Seller authorized to sign any documents to be delivered to NYSERDA under the conformed RES Standard Form Agreement (Attachment H), and (2) the accuracy and completeness of resolutions of the Seller, authorizing and approving all matters in connection with the transactions contemplated in the conformed RES Standard Form Agreement. NYSERDA does not have a preferred standard. See RES Standard Form Agreement Section 6.04 Additional Documents for additional information.

### **5. DAM Section 305 Notice information**

If the Bid facility is located in a New York State agricultural district, Seller will be required to provide to NYSERDA a report including all of the information required by Section 305(4)(b) of the Agriculture and Markets Law.

A map of the agricultural districts, by county, is available from [New York State Agriculture and Markets](#)<sup>44</sup>.

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<sup>44</sup> New York State Agriculture and Markets Agricultural Districts is available by county at <https://www.agriculture.ny.gov/AP/agservices/agricultural-districts.html>

## **XII. SELECT PROVISIONS FROM RES STANDARD FORM AGREEMENT (Attachment H)**

Some of the key terms and conditions that will be included in the agreement with proposals that receive an award are listed below. In the event of any inconsistency between the description in the RFP and the Agreement, the terms of the Agreement shall control. Capitalized terms may refer to terms defined in the Agreement (Proposer in RFP = Seller in Agreement).

### **DEFINITIONS**

Commercial Operation Milestone Date: The Commercial Operation Milestone Date shall be November 30, 2020. The Commercial Operation Milestone Date may be extended (see Article II, Purchase and Sale of Rights to Tier-1 Renewable Energy Certificate, Section 2.07 and Article XV, Contract Security).

Defined Percentage(s): The percentages free of overlap selected by Seller in the Project Viability, Site Character section of the Step Three Bid Proposal.

Operational Certification: Under the Orders, a Statement of Qualification (SoQ) must be granted through the Operational Certification process before payment under this Agreement may be made by NYSERDA. Operational Certification verifies that the Bid Facility has been constructed and/or will operate in accordance with the proposal submitted, for which Provisional Certification (PSoQ) was granted and for which an award was made. An Operational Certification application should be submitted after the Bid Facility enters Commercial Operation and the Bid Facility is registered in NYGATS. NYSERDA will also determine whether Seller has complied with Section 18.10 and determine compliance with any Site Character claims. [For Bid Facilities including Energy Storage, NYSERDA will verify the installed Energy Storage Capacity and confirm that it has been installed consistent with the Bid Proposal (see Article IV)]. [For Fuel-Based Bid Facilities, the Seller will be required to provide additional information as outlined in Exhibit D to this Agreement.] Once an SoQ has been issued, NYSERDA will make payments consistent with Section IV.

Permanent Physical Footprint: The area covered by the permanent generation, interconnection and, if applicable, Energy Storage equipment as verified by NYSERDA through the Operational Certification process.

## **BID FACILITY ELECTRICITY DELIVERY REQUIREMENTS**

Section 3.01. Bid Facilities in the NYCA. The electricity associated with the Tier-1 Renewable Energy Certificates for Bid Facilities located within the New York Control Area must either be (1) delivered into a market administered by the NYISO for end-use in New York State, (2) delivered through a wholesale meter under the control of a utility, public authority or municipal electric company such that it can be measured, and such that consumption within New York State can be tracked and verified by such entity or by the NYISO; or (3) delivered through a Dedicated Generation Meter, in accordance with Section 2.10.

Section 3.02. External Bid Facilities. [The electricity associated with the Tier-1 Renewable Energy Certificates for Bid Facilities in control areas adjacent to the New York Control Area shall be scheduled, transmitted, delivered to and settled in the NYISO energy market in each hour, and be accompanied with documentation of a unit-specific contract path between the Injection Point in the control area of origin to the Delivery Point in New York that includes the provision of transmission or transmission rights for delivering the generation via the NYISO using the North American Electric Reliability Corporation (NERC) tag fields Sending and Receiving Control Areas (CA) and Purchasing/Selling Entity (PSE) Name and Number. Compliance with this Delivery Requirement shall be verified by NYGATS which shall require an attestation from the importer that the information contained in the NYISO schedule is accurate and that the electricity associated with the import is being delivered solely from the selected resource. Seller shall provide, at NYSERDA's request, the NERC tag information from the OATI (Open Access Technology International) System or the NY JESS Contract ID from the Joint Energy Scheduling System (JESS) listing the External Bid Facility name as the Source for the scheduled and transmitted electricity from the External Bid Facility into the NYISO. The Tier-1 Renewable Energy Certificates must follow the NYGATS Operating Rules for Unit-Specific Imports of Energy and Attributes under the Energy Scheduled and Delivered methodology. The number of Unit-Specific Import Certificates that will be created will be the lesser of the hourly energy schedule of the import, or the hourly meter reading of the Bid Facility.]

Section 3.03. Bilateral Sales. Bilateral sales for electricity associated with the Quantity Obligation produced by the Bid Facility are permissible provided the Seller can demonstrate that the purchaser of the electricity associated with the Quantity Obligation is a New York State Load Serving Entity (LSE), or one or more New York State end-users.

## **PAYMENT**

Section 4.02. Payment. The amount payable in a given month shall be calculated as the lesser of: (1) the multiplicative product of (a) the Actual Eligible Production of the Bid Facility during the prior month; (b) the Bid Quantity Percentage; and (c) the Bid Price, and (2) the number of Tier-1 Renewable Energy Certificates Transferred into the NYSERDA NYGATS Account during the prior month multiplied by

the Bid Price. NYSERDA will not pay for Tier-1 Renewable Energy Certificates beyond one hundred and twenty percent (120%) of the Bid Quantity for any Contract Year.

Section 4.03. Prompt Payment Policy. NYSERDA will make payments to the Seller in accordance with and subject to its Prompt Payment Policy Statement, attached hereto as Exhibit C. Such payments shall be made by check or wire transfer to an account designated by the Seller. NYSERDA will not pay any invoice not accompanied by all information required in accordance with Section 6.01.

Section 4.04. Suspension. Should NYSERDA determine that Seller has failed to pay at least the Prevailing Wage in accordance with Section 18.10, NYSERDA will notify Seller in writing and will suspend payments to the Seller until any discrepancy in payment is cured; the cure period will continue for 12 months from the date of notification, after which time the Agreement shall be considered in default.

Section 4.05. Maximum Commitment/Limitation. The maximum number of Tier-1 Renewable Energy Certificates NYSERDA shall be obligated to purchase under this Agreement shall be equal to one hundred and twenty percent (120%) of the Bid Quantity (rounded down to the nearest whole REC) multiplied by the Bid Price multiplied by the number of years in the Contract Delivery Term. The maximum aggregate amount payable by NYSERDA to Seller hereunder is (\$ \_\_\_\_\_.00).

## **ADJUSTMENTS**

Section 5.02. Other Adjustments. NYSERDA may adjust its contractual Payment obligations under this Agreement under the following circumstances:

- (a) NYSERDA may adjust amounts payable to Seller to reflect any costs borne by NYSERDA, if any, for participation in any renewable energy attribute accounting system operating in the Bid Facility's local control area, including all fees and charges, if any, for the delivery, registration and/or retirement of the attributes or certificates in such renewable energy attribute accounting system.
- (b) Should Seller fail to Transfer Tier-1 Renewable Energy Certificates to the NYSERDA NYGATS Account in a number at least 80% of the Bid Quantity for three (3) consecutive Contract Years, NYSERDA may at its option upon Notice to Seller, modify this Agreement by adjusting the Bid Quantity for the remainder of the Contract Delivery Term to equal the highest Actual Annual Eligible Production during any Contract Year over that three-year period multiplied by the Bid Quantity Percentage.
- (c) Should Seller fail to reasonably demonstrate that the total dollar amount of Incremental Economic Benefits having accrued to New York as a result of the development, construction, modification, and operation of the [Bid Facility/Upgrade from the Award Notification Date] through the end of the first three (3) Contract Years of operation (Verified Total Dollars), divided by Installed Bid Capacity, is at

least 85% of Expected Total Dollars divided by the Bid Capacity, NYSERDA may at its option upon Notice to Seller, modify this Agreement by reducing the Bid Price payable for the remainder of the Contract Delivery Term. Such reduction in the Bid Price will be made by an amount equal to the percentage shortfall between the Verified Total Dollars divided by the Installed Bid Capacity compared to the Expected Total Dollars divided by the Bid Capacity.

- (d) Should the Installed Bid Capacity differ from the Bid Capacity, Seller agrees that NYSERDA may at its option upon Notice to Seller modify the Contract by adjusting the Bid Quantity, Bid Quantity Percentage, or other relevant terms to reflect the Installed Bid Capacity.
- (e) For Bid Facilities that include Energy Storage, should the Energy Storage component not reach Commercial Operation with the proposed Storage Capacity (MWh) on or before the Commercial Operation Milestone Date, NYSERDA may, upon Notice to Seller, reduce the Bid Price by \$\_\_\_\_\_, an amount equal to the difference between the Bid Price proposed by Seller for the Bid Facility with Energy Storage and the Bid Price proposed by Seller for the Bid Facility without Energy Storage.

## **RECORDS AND REPORTS**

Section 6.02. Progress Reports/Material Change. Beginning on the first such date following the Effective Date, and continuing through the commencement of the Contract Delivery Term, Seller shall provide quarterly written Progress Reports to NYSERDA, on March 1, June 1, September 1, and December 1, which reports shall be in letter form, through a method specified by NYSERDA, and which shall describe at a minimum (1) Seller's progress in obtaining and securing all required environmental or other permits and/or local approvals; (2) the status of development and/or construction planning or activities with regard to the Bid Facility; (3) the status of the interconnection process between the Bid Facility and the administrator of the control area; (4) purchases, delivery, and/or installation of any major equipment associated with the Bid Facility; and (5) an estimated date for Commercial Operation. Such reports shall also include an updated Project Schedule Form (RESRFP18-1 Attachment H), copies of any permits or approvals granted and/or copies of any correspondence of any type denying or refusing any permit or approval. Upon NYSERDA's request, Seller shall also provide an independent engineer's or similar third party's assessment of the long-term expected energy production of the Bid Facility. Seller shall notify NYSERDA within ten (10) days of any event that could reasonably cause a material delay in any of the activities listed above. Seller shall include with each Progress Report a written attestation prepared by a New York State independent certified public accountant or other qualified party, in a form to be agreed upon, confirming that the Seller is in compliance with the Prevailing Wage requirement (See Sections 4.04 and 18.10).

Section 6.03. Economic Benefits Report. Within ninety (90) days of the third anniversary of the commencement of the Contract Delivery Term, Seller shall submit an

economic benefits report prepared by a New York State certified, independent certified public accountant, demonstrating the actual Incremental Economic Benefits that resulted from the construction and operation of the Bid Facility. To fulfill this requirement, the Seller's independent certified public accountant will be required to prepare an "agreed upon procedures" report in accordance with the procedures outlined in the Economic Benefits Audit Protocol and Economic Benefits Verification Standards that were released with the Step One Notice of Qualification provided to Seller. The Economic Benefits Audit Protocol will serve as a requirements document to guide the independent audit, allowing auditors to understand the process they are asked to perform. The Economic Benefits Verification Standards will define valid expense claims and standardize submission and documentation processes and best practices. The audit will verify the economic benefits created by the Bid Facility under the categories and within the eligibility requirements listed in RESRFP18-1. The Economic Benefits Report will be funded at the Seller's expense.

Section 6.06. Site Control. Unless otherwise agreed to by NYSERDA in writing, within one hundred and eighty days of the Award Notification Date, Seller shall provide documentation demonstrating rights-of-way or full control of the acreage needed for any interconnection facilities, and, should the Bid Facility site acreage exceed fifteen (15) acres, within one hundred and eighty days of the Award Notification Date, documentation demonstrating full control of the Bid Facility site acreage.

#### **COMMERCIAL OPERATION MILESTONE DATE; EXTENSION OF THE MILESTONE DATE**

Section 15.01. Seller shall provide to NYSERDA Contract Security, in the form of cash, certified funds, or a Letter of Credit conforming to the requirements according to the following schedule and conditions:

- (a) Within thirty (30) Business Days of the Award Notification Date, unless otherwise agreed to by NYSERDA, Seller must provide Contract Security in an amount equal to the product of (1) Bid Quantity and (2) nine dollars (\$9.00) [plus any amount pledged by Seller as a part of a RESRFP18-1 Step Two Bid Proposal]. **NYSERDA may rescind and cancel the award to Proposer/Seller under RESRFP18-1 should Seller fail to provide Contract Security within such 30-day period;**
- (b) On or before November 30, 2019, Seller must provide additional Contract Security in an amount equal to the product of (1) Bid Quantity and (2) six dollars (\$6.00). **Failure to provide the additional Contract Security by November 30, 2019 will constitute a default and may result in termination of this Agreement.**

Section 15.02. Extension of Commercial Operation Milestone Date. Seller may elect to extend the Commercial Operation Milestone Date as follows:

- (a) On or before October 30, 2020, Seller may elect to extend the Commercial Operation Milestone Date from November 30, 2020 to May 31, 2021 by providing to NYSERDA, in addition to the amounts provided under Section 15.01 (a) and (b), Contract Security in an amount equal to the product of (1) Bid Quantity and (2) two dollars (\$2.00);
- (b) On or before April 30, 2021, Seller may elect to extend the Commercial Operation Milestone Date from May 31, 2021 to November 30, 2021 by providing to NYSERDA, in addition to the amounts provided under Section 15.01 (a) and (b) and 15.02 (a), Contract Security in an amount equal to the product of (1) Bid Quantity and (2) two dollars (\$2.00);
- (c) On or before October 29, 2021, Seller may elect to extend the Commercial Operation Milestone Date from November 30, 2021 to May 31, 2022 by providing to NYSERDA, in addition to the amounts provided under Section 15.01 (a) and (b) and 15.02 (a) and (b), Contract Security in an amount equal to the product of (1) Bid Quantity and (2) two dollars (\$2.00);
- (d) On or before April 29, 2022, Seller may elect to extend the Commercial Operation Milestone Date from May 31, 2022 to November 30, 2022 by providing to NYSERDA, in addition to the amounts provided under Section 15.01 (a) and (b) and 15.02 (a), (b) and (c), Contract Security in an amount equal to the product of (1) Bid Quantity and (2) two dollars (\$2.00).

Section 15.03. Executed Interconnection Agreement. In lieu of Contract Security Seller may provide under Section 15.02(c) and/or (d), Seller may extend the Commercial Operation Milestone Date from November 30, 2021 to November 30, 2022 by providing to NYSERDA proof that an interconnection agreement has been entered into by the NYISO or its counterpart in an adjacent control area, the Connecting Transmission Owner, and the Seller or a legal representative of the Seller. Bid Facilities seeking to satisfy the electricity delivery requirement through options 2 or 3 of Section 3.01 may provide proof that a comparable interconnection agreement has been entered into with all the necessary sites, service providers and parties that will be enable and permit the transmission of the energy from the Bid Facility to the point of its consumption.

## **CONTRACT SECURITY REFUND/RETENTION**

Section 15.06. Refund of Security. Amounts provided by Seller as Contract Security will be refunded to Seller by NYSERDA as follows:

- (a) In their entirety, upon the achievement by the Bid Facility of an SoQ (Operational Certification) if the Installed Bid Capacity is equal to or greater than the Bid Capacity.



- (b) At a prorated amount, upon the achievement by the Bid Facility of an SoQ (Operational Certification), if the Installed Bid Capacity is less than the Bid Capacity. Such amount that will be refunded, expressed as a percentage of the total Contract Security, will be equal to the Installed Bid Capacity divided by the Bid Capacity.

Section 15.07. Retention of Security. Amounts provided by Seller as Contract Security will be retained by NYSERDA as follows:

- (a) In their entirety if Seller fails to provide to NYSERDA, within thirty (30) days of the Award Notification Date, Contract Security in the amount required under Section 15.01(b), above.
- (b) At a prorated amount if the Installed Bid Capacity is less than the Bid Capacity. Such amount that will be retained, expressed as a percentage of the total Contract Security, will be equal to the Bid Capacity minus the Installed Bid Capacity divided by the Bid Capacity.

Section 15.08. Site Character Security. Where Seller has attested as part of the Site Character section of its Bid Proposal to avoid the encroachment by its Permanent Physical Footprint, in a Defined Percentage(s), on land with agricultural importance to New York State:

- (a) NYSERDA will retain twenty-five percent (25%) of the Bid Facility's Contract Security. Such amount shall be refunded to Seller should NYSERDA determine, through Operational Certification (which will review the final site plan and the Site Character Map provided to Seller), that the percentage of encroachment of the Permanent Physical Footprint of the Bid Facility is equal to or less than the Defined Percentage(s). Such amount shall be forfeited to NYSERDA by Seller should NYSERDA determine, through Operational Certification (which will review the final site plan and the Site Character Map provided to Seller), that the percentage of encroachment of the Permanent Physical Footprint of the Bid Facility is greater than the Defined Percentage(s).
- (b) For wind and solar Bid Facilities where Site Character points were awarded, NYSERDA will retain twenty percent (20%) of the Bid Facility's Contract Security for a period of 365 days following the date upon which the project achieves Commercial Operation. Upon such date, NYSERDA will: (1) refund the retained Contract Security; or (2) if the New York State Department of Agriculture & Markets (DAM) has notified NYSERDA that the Bid Facility was not constructed in accordance with the DAM Construction Standards (incorporated herein and made part hereof at Exhibit E), NYSERDA will provide written notice to Seller of DAM's claim and NYSERDA will retain such 20% of the Contract Security until (a) DAM notifies NYSERDA that suitable corrective action has been taken, at which point such amount shall be refunded to the Proposer, or (b) 180 days from the date

upon which NYSERDA provided notice to Seller, in which case such amount shall be forfeited to NYSERDA by Seller.

## **PERMITS AND APPROVALS**

Section 17.04. Permits and Approvals. The Seller shall be responsible to obtain all applicable permits and regulatory approvals that may be required in order to develop and/or operate the Bid Facility over the duration of the Contract Delivery Term. Neither the RES Program nor selection under RESRFP18-1 in any way replaces or modifies the necessity or applicability of any permit or approval process including SEQRA or Public Service Law Article 10 by any jurisdiction. NYSERDA's obligations to make payments to Seller are conditional on the acquisition by Seller of all such permits and approvals. Upon request by NYSERDA Seller must demonstrate such acquisition and/or provide copies of all permits and approvals acquired. Seller shall provide prompt Notice to NYSERDA of the initiation of any criminal or regulatory investigation, hearing, proceeding, or review process ("Process") by any federal or State entity regarding any actual or alleged violation of any permit or approval obtained or applied for with respect to the Bid Facility, as well as of any modification, penalty and/or fine that may be imposed or occur as a result of such a Process or violation. Upon the filing by Seller of an Article 10 Application, Seller shall promptly notify NYSERDA and shall comply with any restrictions NYSERDA may impose regarding communication with NYSERDA staff.

## **CONDITIONS/CONTINGENCIES**

NYSERDA may include conditions and/or contingencies to address matters concerning any issues regarding the viability or siting of a project, or where the build environment is contingent or conditional on governmental rescission, modification or change in local law, temporary or permanent.

## **XIII. GENERAL CONDITIONS**

### **A. Proprietary Information**

Careful consideration should be given before confidential information is submitted to NYSERDA as part of proposal Step Two Application for Qualification or a Step Three Bid Proposal. Proposers should consider and review whether information is critical for evaluation, and whether general, non-confidential information, may be adequate for review and evaluation purposes. The NYS Freedom of Information Law, Public Officers law, Article 6, provides for public access to information NYSERDA possesses. Public Officers Law, Section 87(2)(d) provides for exceptions to disclosure for records or portions thereof that "are trade secrets or are submitted to an agency by a commercial enterprise or derived from information obtained from a commercial enterprise and which if disclosed would cause substantial injury to the competitive position of the subject enterprise." Additional information submitted to NYSERDA that the Proposer wishes to have treated as proprietary, and confidential trade secret information, should be identified and labeled "Confidential" or "Proprietary" on each page at the time of disclosure. This information should include a written request to except it from disclosure,

including a written statement of the reasons why the information should be excepted. See Public Officers Law, Section 89(5) and the procedures set forth in 21 NYCRR Part 501 <http://www.nyserda.ny.gov/About/-/media/Files/About/Contact/NYSERDA-Regulations.ashx>.

However, NYSEDA cannot guarantee the confidentiality of any information submitted. NYSEDA reserves the right to make public, after the fifth anniversary of the award date, the RES Standard Form Agreement (Attachment H) executed with any awarded project.

## **B. State Finance Law Sections 139-j and 139-k**

NYSEDA is required to comply with State Finance Law sections 139-j and 139-k. These provisions contain procurement lobbying requirements which can be found at <http://www.ogs.ny.gov/aboutogs/regulations/advisoryCouncil/StatutoryReferences.html> Application for Qualification form (Attachment B) calls for a signature certifying that the Proposer will comply with State Finance Law sections 139-j and 139-k and a disclosure statement regarding whether the Proposer has been found non-responsible under section 139-j of the State Finance Law within the previous four years.

## **C. Tax Law Section 5-a**

NYSEDA is required to comply with the provisions of Tax Law Section 5-a, which requires a prospective contractor, prior to entering an agreement with NYSEDA having a value in excess of \$100,000, to certify to the Department of Taxation and Finance (the "Department") whether the contractor, its affiliates, its subcontractors and the affiliates of its subcontractors have registered with the Department to collect New York State and local sales and compensating use taxes. The Department has created a form to allow a prospective contractor to readily make such certification. See, ST-220-TD (available at [http://www.tax.ny.gov/pdf/current\\_forms/st/st220td\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/st/st220td_fill_in.pdf)). Prior to contracting with NYSEDA, the prospective contractor must also certify to NYSEDA whether it has filed such certification with the Department. The Department has created a second form that must be completed by a prospective contractor prior to contacting and filed with NYSEDA. See, ST-220-CA (available at [http://www.tax.ny.gov/pdf/current\\_forms/st/st220ca\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/st/st220ca_fill_in.pdf)). The Department has developed guidance for contractors which is available at <http://www.tax.ny.gov/pdf/publications/sales/pub223.pdf>.

## **D. Omnibus Procurement Act of 1992**

It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority- and women-owned business enterprises, as Proposers, subcontractors, and suppliers on its procurement Agreements.

Information on the availability of New York subcontractors and suppliers is available from:

Empire State Development  
Division for Small Business  
30 South Pearl Street  
Albany, NY 12245

A directory of certified minority- and women-owned business enterprises is available from:

Empire State Development  
Minority and Women's Business Development Division  
30 South Pearl Street  
Albany, NY 12245

#### **E. Disclosure Requirement**

The Proposer shall disclose any indictment for any felony, or any conviction for a felony within the past five years, under the laws of the United States or any state or territory of the United States, and shall describe circumstances for each. When a Proposer is an association, partnership, corporation, or other organization, this disclosure requirement includes the organization and its officers, partners, and directors or members of any similarly governing body. If an indictment, investigation, enforcement proceeding or conviction should come to the attention of NYSERDA after the award of a contract, NYSERDA may exercise its stop-work right pending further investigation, or terminate the agreement; the contractor may be subject to penalties for violation of any law which may apply in the particular circumstances. Proposers must also disclose if they have ever been debarred or suspended by any agency of the U.S. Government or the New York State Department of Labor.

#### **F. Confidentiality**

The Proposer shall not distribute any press release or contact the media until after the contract is executed by both parties and any New York State press releases regarding the awards have been issued. If the Proposer wishes to contact the press regarding the award, the Proposer must collaborate with NYSERDA's Large-Scale Renewables Team and the Director of Communications to prepare any press release and/or to plan for any announcement. NYSERDA reserves the right to make public, after the fifth anniversary of the Award Notification Date, the RES Standard Form Agreement (Attachment H) executed with any awarded project.

#### **XIV. LIST OF ATTACHMENTS**

- Appendix 1 – Incremental Economic Benefits Appendix
- Appendix 2 – Project Viability Appendix
- Appendix 3 – Operational Flexibility and Peak Coincidence Appendix
  
- Attachment A – Instructions for Electronic Submission of the Application for Qualification
- Attachment B – Application for Qualification Form
- Attachment C – Summary Description of Control Status by Parcel
- Attachment D – Environmental Assessment Form
- Attachment E – List of Required Permits
- Attachment F – List of Project Development Experience
- Attachment G – List of Project Financing Experience
- Attachment H – RES Standard Form Agreement
  - Exhibit A – Standard Terms and Conditions for all NYSERDA Agreements
  - Exhibit B – Letter of Credit
  - Exhibit C – Prompt Payment Policy Statement
  - Exhibit D – Requirements for Biomass-Fueled Bid Facilities
  - Exhibit E – Department of Agriculture and Markets Construction Standards
- Attachment I – Public Release of Bid Facility Information

## APPENDIX 1 – INCREMENTAL ECONOMIC BENEFITS APPENDIX

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## INTRODUCTION

The Bid Proposal evaluation process for RES Tier 1 REC solicitations includes the application of an Incremental Economic Benefits evaluation that makes up 10% (10 points) of the overall Step Three scoring as described in Section IX(C)(3) Incremental Economic Benefits of the RFP. The inclusion of the Incremental Economic Benefits evaluation reflects the importance of positive impacts of the RES procurements on New York's economy. The Incremental Economic Benefits criterion employed in this RFP is intended to differentiate bids based on their effectiveness at meeting this objective.

In submitting a Step Three Bid Proposal, Proposers will be invited to demonstrate all the necessary information and documentation to evaluate the Bid Facility for its contribution to each category. NYSERDA may request additional documentation as a part of its review of Step Three Bid Proposals.

Incremental Economic Benefits are those that a Proposer can demonstrate: (1) will accrue after an award from this RFP, and (2) would not have accrued but for the award of a contract under this RFP. Only those Incremental Economic Benefits falling within the categories defined below will be considered, and in no instance will NYSERDA or its Technical Evaluation Panel (TEP) consider any indirect benefits or those created by any "multiplier effect" or other attribution method under which the creation of peripheral spending and jobs might be credited to direct capital infused into the economy. Proposers are not permitted to apply escalation rates or cost of living adjustments.

Incremental economic benefits previously claimed with respect to a Bid Facility that is subject to a pending award under a previous solicitation or that is the subject of a current NYSERDA RPS or RES Standard Form Agreement are not eligible for evaluation.

All laborers, workmen and mechanics, within the meaning of NYS Labor Law Article 8, performing construction activities with respect to the Bid Facility and Energy Storage, if applicable, including, but not limited to, the staging, installation, erection and placement of Bid Facility and its electrical interconnection as well as start-up and commissioning of the Bid Facility, whether through long-term or short-term employment, must be paid at least the applicable Prevailing Wage applicable in the area where the Bid Facility will be situated, erected and used, as published by the [NYS Department of Labor](#) (DOL)<sup>45</sup> or at least the equivalent Prevailing Wage requirements of the jurisdiction where the Bid Facility is located. This requirement applies: (1) to all laborers, workmen and mechanics performing construction activities, whether they be direct employees of the Seller or of Seller's subcontractor(s), and (2) regardless of whether or not Seller claimed such employment as an Incremental Economic Benefits in its Bid Proposal.

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<sup>45</sup> For NYS DOL Prevailing Wage Schedules, please visit:  
<https://applications.labor.ny.gov/wpp/publicViewPWChanges.do?method=showIt> and  
<https://applications.labor.ny.gov/wpp/showSearchWageSchedulePublic.do?method=showIt>

NYSERDA will audit the Seller's payment practices as part of Operational Certification as described in Appendix 1. Should NYSERDA determine the Seller has failed to pay at least the Prevailing Wage, NYSERDA will notify Seller in writing and suspend payments to the Seller until any discrepancy in payment is cured; the cure period will continue for 12 months from the date of notification, after which time the Agreement will be considered in default.

Independent audit and verification of the actual Incremental Economic Benefits of the Bid Facility and comparison to the level of claimed Incremental Economic Benefits will be required after the first three years of the Contract Delivery Term, as described in Section XII.

As described in Section XII of the RFP, independent verification of the actual Incremental Economic Benefits of the Bid Facility, and comparison to the level of claimed Incremental Economic Benefits (Expected Total Dollars), will be required after the end of the first three years of the Contract Delivery Term where the Bidder will submit an economic benefits report prepared by a New York State certified, independent certified public accountant, demonstrating the actual Incremental Economic Benefits that resulted from the construction and operation of the Bid Facility under the categories and within the eligibility requirements listed in the RFP. The Economic Benefits Report will be funded at the Bidder's expense. Should the Bidder fail to reasonably demonstrate that the total dollar amount of Incremental Economic Benefits divided by Installed Bid Capacity, is at least 85% of Expected Total Dollars divided by the Bid Capacity, NYSERDA may at its option upon Notice to Seller, modify the Agreement by reducing the Bid Price payable for the remainder of the Contract Delivery Term.

#### **INCREMENTAL ECONOMIC BENEFITS CATEGORIES**

The total of 10 points for Incremental Economic Benefits has been distributed among four categories. The Proposer will provide the Expected Total Dollars for each category; the Expected Total Dollars will then be divided by the Bid Capacity of the Bid Facility for TEP evaluation purposes only.

The following table lists the Incremental Economic Benefits categories and the points available in each.



|   | Category  | Maximum Points Awarded |
|---|---|------------------------|
| 1 | Long-Term New York State Jobs                                       | 3.0                    |
| 2 | Payments/Benefits to New York State and/or its Municipalities       | 2.7                    |
| 3 | Payments for Renewable Fuels and Resource Access                    | 2.3                    |
| 4 | In-State Purchases, Consumption of Goods, and Short-term Employment | 2.0                    |

The remainder of this Appendix will present the individual informational components of each of the four evaluation categories that make up the Incremental Economic Benefits criterion.

#### **CATEGORY 1: LONG-TERM NEW YORK STATE JOBS**

Describe the degree to which the operation of the Bid Facility will directly create (add) long term jobs (jobs lasting more than 3 years) in New York. Examples of such jobs include, but are not limited to, those associated with operations and maintenance, plant management, or similar. List and describe the type of jobs including the position title, specific role and responsibilities, and the expected duration of such jobs. Provide the number of jobs, in Full Time Equivalents (FTEs), and the expected average annual salary/and or total compensation and direct benefits (excluding overhead for normal operations) for all jobs. Provide expected total dollars for compensation/salaries and benefits from the Award Notification Date through the end of the first three (3) Contract Years of operation (Expected Total Dollars).

#### **CATEGORY 2: PAYMENTS/BENEFITS TO NEW YORK STATE AND/OR ITS MUNICIPALITIES**

Describe the degree to which the operation of the Bid Facility will provide new or increased local property tax revenues to school districts, cities, towns or other taxing jurisdictions in New York, or alternatively, Payments in Lieu of Taxes (PILOT) or other alternative taxing mechanisms and forms of compensation. List and describe separately all tax payment, PILOT arrangements and/or “host” community payment agreements with all affected New York jurisdictions. All other taxes, including New York State sales taxes and local sales taxes, paid by Seller are eligible only under Category 4. Provide expected total dollars paid to all taxing jurisdictions and municipal entities from the Award Notification Date through end of the first three (3) Contract Years of operation (Expected Total Dollars).

#### **CATEGORY 3: PAYMENTS FOR RENEWABLE FUELS AND RESOURCE ACCESS**

Describe the degree to which the operation of the Bid Facility will provide royalties, production-based payments, land lease or land use payments or other forms of compensation, including land purchase payments associated with securing rights to or

directly acquiring fuel or access to wind resources for the Bid Facility (e.g., wind, biomass, biogas). Examples include payments for leases of land in New York, payments associated with the production of electricity, fuel purchases of biomass sourced or harvested in New York, and purchases for landfill gas produced in New York. Payments for non-renewable fuels such as natural gas are not eligible for consideration in this category or any Economic Benefits category. Provide total dollars expected to be paid from the Award Notification Date through the end of the first three (3) Contract Years of operation (Expected Total Dollars).

#### **CATEGORY 4: IN-STATE PURCHASES, CONSUMPTION OF GOODS, AND SHORT-TERM EMPLOYMENT**

Describe the degree to which local and state economic activity will increase as a result of:

- a) the purchase and consumption of local goods and services, such as, but not limited to, food, lodging, vehicles, equipment, fuel, and/or
- b) the purchase of materials sourced from within New York such as, but not limited to, gravel, steel, concrete and similar materials and/or the purchase and use of equipment and products manufactured or assembled within New York and/or the use of rental equipment or similar supplies sourced from within New York. Wind turbine components not manufactured within New York State will not be considered and should not be included, and/or
- c) ongoing operations and maintenance expenses which are anticipated through the first three (3) years of Commercial Operation, and/or
- d) employment of New York workers on a short-term basis (less than 3 years). Illustrative examples include direct employment of NYS construction, rail and port workers, contractors and laborers, engineering or environmental service providers, consultants, financial service advisors, and legal service providers associated with the development and construction/modification of the Bid Facility. List and describe the type of jobs and the expected duration of such jobs. Provide the number of jobs, in Full Time Equivalents (FTEs), and the expected average annual salary and benefits for all jobs. Provide expected total dollars for salaries and benefits through the first three (3) Contract Years of operation.

List each type of purchase, service, or employment that will be used and provide total dollars, including New York State and local sales taxes, expected to be spent on all the purchases, consumption of local/in-state goods, or short-term employment from this category from the Award Notification Date through the end of the first three (3) Contract Years of operation (Expected Total Dollars).

## APPENDIX 2 - PROJECT VIABILITY APPENDIX

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## INTRODUCTION

The Bid Proposal evaluation process for RES Tier 1 REC solicitations includes the application of a Project Viability evaluation criterion that makes up 10% (10 points) of the Step Three scoring as described in Section X(2), Project Viability of the RFP. The inclusion of the Project Viability evaluation reflects the importance of project feasibility and ultimate project completion toward meeting the RES procurement goals. Proposers will initially submit information and attachments with their Step Two Application for Qualification packages that will confirm that the Bid Facility meets the required Minimum Threshold Qualification Criteria, though Proposers may include with their Step Two application documentation that they have exceeded the Minimum Threshold Qualification Criteria in any of the categories (see Section VII).

**If the progress by a Bid Facility exceeds the minimum threshold in any category, documentation as to the additional level of progress achieved should be provided by the Proposer in Step Two.**<sup>46</sup> As a part of the Step Three Bid Proposal, Proposers will be also be invited to demonstrate that they have exceeded the required Minimum Threshold Qualification Criteria, including but not limited to any additional progress made between the submittal dates for Steps Two and Three.

As a part of the Step Three evaluation, the TEP will award additional points to generation facilities that have demonstrably exceeded the Minimum Threshold Qualification Criteria under the individual Project Viability categories described below. Projects achieving only the Minimum Threshold Qualification Criteria will receive no points in the appropriate Project Viability category.

## PROJECT VIABILITY CATEGORIES

The total of 10 points for Project Viability has been distributed among seven categories. For Categories 1 through 6, each Bid Proposal will be eligible for the maximum points available in that category, depending on the extent to which it exceeds the Minimum Qualification Thresholds. For Category 7, points will be awarded in a manner proportionate to the amount of additional Contract Security pledged as compared to all other Bid Proposals.

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<sup>46</sup> For example, under Category 2, Interconnection, for a 20 MW Bid Facility subject to NYISO jurisdiction, the documentation required to demonstrate achievement of the minimum threshold consists of either (i) a submitted interconnection request or (ii) prepared drafts of all initial interconnection application documents such that they can submit initial documentation within 3 months following an award from NYSERDA. If a Feasibility, System Impact, or Facilities Study has, in fact, been executed, attach a copy. The Study will satisfy the Minimum Qualification Threshold and will also be considered as a part of the Project Viability evaluation in Step Three.

The following table lists the Project Viability categories and the points available in each:

|   | Project Viability Category          | Maximum Points Awarded |
|---|-------------------------------------|------------------------|
| 1 | Site Control                        | 2.0                    |
| 2 | Interconnection                     | 2.0                    |
| 3 | Permitting                          | 1.5                    |
| 4 | Project Development                 | 1.0                    |
| 5 | Resource Assessment                 | 1.0                    |
| 6 | Site Character                      | 1.5                    |
| 7 | Contract Security Above the Minimum | 1.0                    |

The remainder of this Appendix will present the individual informational components of each of the seven evaluation categories that make up the Project Viability criterion. **The tables shown below provide relevant details on descending levels of progress within each category.**

#### PROJECT VIABILITY CATEGORY 1: SITE CONTROL

The Site Control evaluation category has two subcategories: Generation Facility Site Control, and Interconnection Right-of-Way (ROW) Site Control.

The Minimum Qualification Thresholds for Site Control are described in Section VII of RESRFP18-1. They require that the Proposer at least have entered *an exclusivity agreement or letter of intent* with the site owner(s) for percentages of the site (depending on site size) and the Interconnection Right-of-Way.

Generation Facility Site Control will be evaluated according to the proportion of the total land area where the Bid Facility and interconnection facilities are or will be sited that the Proposer has under its control through *ownership, easement, executed lease or executed binding option for ownership or lease*.<sup>47</sup>

The Project Viability evaluation will award points based on the demonstration of additional site ownership or control. Proposed Bid Facilities that are currently in operation will receive maximum points awarded for this category.

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<sup>47</sup> Note that the Minimum Threshold Qualification Criteria require the existence of exclusivity agreements or letters of intent. In order to receive additional points under Step Three, Proposers will be required to have ownership interests or lease agreements enforceable by the Proposer without further material agreement with the owner(s).

## PROJECT VIABILITY CATEGORY 1.A: GENERATION FACILITY SITE CONTROL

| Generation Facility Site Control Criterion                                     |  |                        |
|--|--|------------------------|
| Measure of Generator Site Control  | Percent of Site Controlled (as a % of total parcel area) | Maximum Points Awarded |
| Own, executed lease for, easement for, or executed binding option for a parcel | 100%   | 1.50                   |
| Own, executed lease for, easement for, or executed binding option for a parcel | 75%  | 1.25                   |
| Own, executed lease for, easement for, or executed binding option for a parcel | 50%  | 1.00                   |
| Own, executed lease for, easement for, or executed binding option for a parcel | 25%  | 0.50                   |

## PROJECT VIABILITY CATEGORY 1.B: INTERCONNECTION RIGHT-OF-WAY CONTROL

Interconnection right-of-way (ROW) control will be evaluated and awarded points under Step Three by the level of progress toward ROW control that the Proposer has achieved through either *ownership, executed lease, executed option, or by virtue of the interconnection ROW being controlled by or assignable to the interconnecting utility* that will own interconnection facilities. Proposed Bid Facilities that are currently in operation will receive maximum points awarded for this category.

| Interconnection ROW Control Criterion   | Maximum Points Awarded |
|---|------------------------|
| 100% of total area is either (i) owned, executed lease for, easement for, or executed binding option by the Proposer, <b><u>or</u></b> (ii) controlled by or assignable to the interconnecting utility that will own interconnection facilities | 0.50                   |
| 50% of total area is either (i) owned, executed lease for, easement for, or executed binding option by the Proposer, <b><u>or</u></b> (ii) controlled by or assignable to the interconnecting utility that will own interconnection facilities  | 0.25                   |

## **SUPPORTING DOCUMENTATION REQUIRED FOR SITE CONTROL**

Unless the Bid Facility is currently in operation, the Proposer may demonstrate that it has exceeded the Minimum Threshold Qualification Criteria for Generation Facility and ROW Site Control by providing updated site control maps and summary descriptions by parcel, demonstrating the percentage of the site controlled.

## **PROJECT VIABILITY CATEGORY 2: INTERCONNECTION**

Proposer demonstration of progress toward generation facility interconnection (IC) differs based on the size of the generation facility and the jurisdictional authorities governing the interconnection (i.e., FERC, a regional transmission operator,<sup>48</sup> a state agency, or a non-US agency).

The following two tables present the criteria that will be used to evaluate interconnection progress exceeding the Minimum Qualification Threshold. The first table is relevant to most grid-connected generators in the United States and the second table is relevant to Canadian generators, generators not in other categories, and eligible behind-the-meter (BTM) generators.

The Project Viability evaluation will award points based on the demonstration of progress in the interconnection process; Bid Facilities in operation or those with executed IC agreements will be awarded the maximum points available for this category.

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<sup>48</sup> New York Independent System Operator (NYISO) or adjacent RTOs that include New England Independent System Operator (NE-ISO) and PJM.

### Grid-Connected Generators (U.S.)

| Large Generator (>20 MW) NYISO or similar IC Authority in Adj. U.S. Control Area <sup>49</sup>   | Small Generator (up to 20 MW) NYISO or similar IC Authority in Adj. U.S. Control Area <sup>50</sup>   | Small Generator Non-FERC Interconnection <sup>51</sup> | Maximum Points Awarded |
|--|---|--|------------------------|
| Operating/interconnected, or executed IC agreement or equivalent relevant to scale and jurisdictional requirements   |   |  | 2.0                    |
| Evidence provided that Facilities Study is complete, and Proposer has accepted the Cost Allocation, or equivalent evidence of progress   | Evidence provided that the utility company has completed the Coordinated Electric System Interconnection Review (CESIR), or equivalent evidence of progress                                 |  | 1.6                    |
| Evidence provided that Feasibility Study and System Impact Study (SIS) (or equivalent) are complete. Documentation of agreement with ISO has been reached to forego either of these, if relevant | [no process equivalent, n/a]  |  | 1.2                    |
| Evidence provided that Feasibility Study (or equivalent) is complete   | Evidence provided that utility has provided at least a Preliminary Analysis Report (or equivalent) that indicates the project is feasible including cost estimate for any required upgrades |  | 0.6                    |

<sup>49</sup> FERC Jurisdiction, Large Generator Interconnection

<sup>50</sup> FERC Jurisdiction, Small Generator Interconnection, inclusive of 2 MW Fast Track

<sup>51</sup> Connecting Transmission Owner (CTO) Interconnection under state jurisdiction (typically utility distribution less than 5MW).



*Canadian Generators, Generators Not in Other Categories, Eligible BTM Generators*

| <b>Ontario &amp; Quebec;<br/>Generators not in<br/>another category</b>   | <b>Behind-the-Meter Generators (if eligible)</b>  | <b>Maximum<br/>Points<br/>Awarded</b> |
|---|---|---------------------------------------|
| Operating, interconnected, or has secured Ontario Energy Board Leave to Construct or a Generator License or equivalent.   | Operating/interconnected.   | 2.0                                   |
| Evidence provided that facilities study or equivalent is complete, and Proposer has accepted the cost allocation  | Formal determination from the interconnecting utility resulting from a completed feasibility study that IC is permissible | 1.6                                   |
| Evidence provided that feasibility study and System Impact Study (SIS) (or equivalent) are complete. Documentation of agreement with IC authority has been reached to forego either of these, if relevant | Determination from the interconnecting utility that IC is feasible but that further study is necessary                    | 1.2                                   |
| Evidence provided that System Feasibility Impact Study (for IESO) (or equivalent) is complete   | Informal determination from the interconnecting utility that IC is feasible   | 0.6                                   |

## **SUPPORTING DOCUMENTATION REQUIRED FOR INTERCONNECTION**

The Proposer may demonstrate that it has exceeded the Minimum Threshold Qualification Criteria for Interconnection by providing the following documents with

either its Step Two Minimum Application for Qualification (preferred) or its Step Three Bid Proposal:

- A brief narrative summary of IC status including (but not limited to) stage of IC process completed (with applicable dates) and underway (with expected dates), IC authority, and if applicable, queue numbers.
- Copies of associated agreements or other evidence (required fees have been paid) supporting the claimed level of progress as listed in the tables above.

### PROJECT VIABILITY CATEGORY 3: PERMITTING

The following two tables present the criteria necessary to evaluate permitting progress in excess of the Minimum Qualification Thresholds. The first table covers informational requirements for wind, ground mounted solar, biomass, biogas, hydroelectric, and generators in other jurisdictions. The second table covers informational requirements for building mounted solar, fuel cells, and ocean and tidal energy facilities.

The Step Three Project Viability evaluation will award points based on the level of progress in the permitting process; projects in operation or those that have acquired all non-ministerial necessary permits and approvals will be awarded the maximum points available for this category.

#### *Wind, Ground-Mounted Solar, Biomass/Biogas, Hydro*

| Hydroelectric in U.S. Jurisdictions <sup>52</sup>  | Wind, Ground-Mounted Solar in NY  | Biomass / Biogas in NY | Wind, Ground-Mounted Solar, Biomass or Biogas Requirements for Jurisdictions other than NY, and Canadian Hydroelectric   | Maximum Points Awarded |
|--|---|------------------------|--|------------------------|
| Bid Facility is already operating, has permission to operate or has secured all non-ministerial permits. |   |                        |  | 1.5                    |
| Draft application including an Environmental Impact Report or Preliminary licensing proposal submitted   | All requirements under State Environmental Quality Review Act (SEQRA) fully defined or fulfilled. Letter of negative declaration or conditional negative declaration from lead agency; or final Environmental Impact Statement (EIS) accepted. If applicable, provide documentation that Article 10 hearing has been conducted. |                        | All requirements for environmental approval defined or fulfilled (e.g. Environmental Compliance Approval [ECA] or Environmental Activity and Sector Registry [EASR] registration in Ontario; Environmental Quality | 1.0                    |

<sup>52</sup> This approach does not reduce points for hydroelectric licenses that may expire during the proposed contract term.

| Hydroelectric in U.S. Jurisdictions <sup>52</sup> | Wind, Ground-Mounted Solar in NY  | Biomass / Biogas in NY  | Wind, Ground-Mounted Solar, Biomass or Biogas Requirements for Jurisdictions other than NY, and Canadian Hydroelectric   | Maximum Points Awarded |
|---|---|---|--|------------------------|
|   |   |   | Act [EQA] assessment in Quebec)  |                        |
| Provide Environmental Impact Study Plan           | Letter or signed approval form demonstrating that Local Zoning/ Ordinance requirements (such as Special Use/ Conditional Use Permit [SUP/CUP] or Permit by Rule [PBR] satisfied | Letter or signed approval form demonstrating that Local Zoning/ Ordinance requirements (such as CUP/SUP/PBR) satisfied. Draft Air Permit issued for review by New York State Department of Environmental Conservation (DEC) or equivalent authority | Local Zoning/Ordinance requirements satisfied (e.g. confirmation / comment letters from Ministry of Natural Resources [MNR] and Ministry of Tourism, Culture and Sport [MTCS] [ON] obtained) | 0.5                    |

*Building Mounted Solar, Fuel Cells, Ocean and Tidal, All Jurisdictions*

| <b>Building-Mounted Solar</b>  | <b>Fuel Cells</b>   | <b>Ocean &amp; Tidal<sup>53</sup></b>   | <b>Maximum Points Awarded</b> |
|--|---|---|-------------------------------|
| Operating or has secured all permits   | Operating or has secured all permits  | Bid Facility is already operating, has permission to operate or has secured all non-ministerial permits.                              | 1.5                           |
| In addition to meeting all requirements below, all other ministerial permit applications submitted consistent with list provided in Threshold Qualification requirements | In addition to meeting all requirements below, all other ministerial permit applications, and air permit application, submitted consistent with list provided in the Threshold Qualification requirements           | All requirements for environmental approval defined or fulfilled (e.g. ECA or EASR registration in Ontario; EQA assessment in Quebec) | 1.0                           |
| Copy of construction permit issued by local jurisdictional authority   | Copy of construction permit issued by local jurisdictional authority. For projects requiring zoning applications, letter or signed approval form demonstrating that local zoning/ ordinance requirements satisfied. | Evidence that the key environmental & siting permit needed to proceed with the project is complete                                    | 0.5                           |

## **SUPPORTING DOCUMENTATION REQUIRED FOR PERMITTING**

The Proposer may demonstrate that it has exceeded the Minimum Threshold Qualification Criteria for Permitting by providing the following documents with either its Step Two Application for Qualification (preferred) or its Step Three Bid Proposal:

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<sup>53</sup> To meet the “Key environmental & siting permit needed to proceed with the project is complete” scoring level, facilities must demonstrate that all FERC and state environmental/siting permits are complete, and all other non-ministerial environmental/siting documents are approved or under final review. The key environmental/siting permits are those that are necessary for construction of the Bid Facility to proceed. To demonstrate that other documents are approved or under final review, the Proposer must identify all necessary permits and the status associated with their review and approval.

- List of permits and approvals and evidence supporting level of progress (e.g. letters, permits) as described in the tables above.

#### PROJECT VIABILITY CATEGORY 4: PROJECT DEVELOPMENT

The bidding company or the principals in its development team will be evaluated according to the extent of their prior experience in successfully developing similar projects.

The Step Three Project Viability evaluation will award points based on the level of Project Development experience demonstrated; proposals that demonstrate the development of two or more facilities of comparable scale<sup>54</sup> and similar technology,<sup>55</sup> at least one of which is in the state in which the Bid Facility is located, will be awarded the maximum points available for this category. NYSERDA will not consider aggregated portfolios of generation facilities as a project under this criterion. Proposed Bid Facilities that are currently in operation will receive maximum points awarded for this category.

| Developer / Corporate Experience <sup>56</sup>  | Maximum Points Awarded |
|---|------------------------|
| Have developed two or more facilities of at least 50% of the Bid Facility's capacity and similar technology. One of the facilities developed is in the same state in which the Bid Facility is located.                   | 1.0                    |
| Have developed one or more facilities of at least 50% of the Bid Facility's capacity and similar technology in the state in which the facility is located.  | 0.8                    |
| Have developed one or more facilities of at least 50% of the Bid Facility's capacity and similar technology, or two or more facilities of any renewable energy technology of at least 50% of the Bid Facility's capacity. | 0.6                    |
| Have developed two or more facilities of any renewable energy technology of at least 25% of the Bid Facility's capacity.  | 0.4                    |
| Have developed one or more facilities of any renewable energy technology of 25% of the Bid Facility's capacity, or with renewable energy projects which in aggregate are of equal total Bid Facility's capacity.          | 0.2                    |

<sup>54</sup> Comparable scale is 50% or more of the proposed capacity.

<sup>55</sup> Similar technology is the same resource and prime mover, e.g. solar, wind. It is not meant to distinguish between different solar technologies, for example.

<sup>56</sup> The bidding company or the principals in its development team must have the required experience successfully developing projects as indicated in this table. Experience of vendors or contractors to the bidding company or the principals in its development team **do not count** towards this experience requirement.

## SUPPORTING DOCUMENTATION REQUIRED FOR PROJECT DEVELOPMENT

Unless the Bid Facility is currently in operation, the Proposer may demonstrate that it has exceeded the Minimum Threshold Qualification Criteria for Project Development by providing the following documents with its either its Step Two Application for Qualification (preferred) or Step Three Bid Proposal:

- Provide in Attachment F a List of specific projects successfully developed, specifying the nameplate capacity, technology<sup>57</sup>, commercial operation date (COD), and location supporting the claimed scoring level; for each project, identify whose experience is being claimed (e.g., corporate or specific individual that is a Proposer principal). If available, provide an external reference (for example, newspaper article or website link) to projects successfully developed.

## PROJECT VIABILITY CATEGORY 5: RESOURCE ASSESSMENT

Proposers may provide a P(50) refined Resource Assessment for the Bid Facility, and if applicable, Energy Storage including the supporting documentation described below for up to 1.0 points.

| Resource Assessment Criterion   | Maximum Points Awarded |
|---|------------------------|
| Refined Resource Assessment for Solar, Wind, Hydroelectric, Fuel Cell, Ocean/Tidal, or Biomass/Biogas Bid Facilities as specified by eligible technology below.   | 1.0                    |
| Resource Assessments that fall between the Minimum Threshold requirement and the Resource Assessment standard specified below may receive partial points at the discretion of the Technical Evaluation Panel. | Between 0 – 0.9        |

Refined Resource Assessments must be consistent with the Bid Facility, and if applicable, Energy Storage, as proposed to NYSERDA. A refined Resource Assessment is more specific than the Resource Assessment required in the Step Two Application for Qualification (Section VII), and is based on the Bid Facility's technology, design, and site-specific location. It is prepared by a qualified independent 3<sup>rd</sup>-party (meteorologist, modeler, engineer, or analyst) with expertise in Resource Assessments for the Bid Facility's technology and is considered to be of financing-quality. The experience and/or credentials of the energy estimate's analyst/author need to be identified. In order to receive additional points, the requirements for the Bid Facility Resource Assessment are based on the Bid Facility's technology as follows and are comprised of:

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<sup>57</sup> Categorized by resource and prime mover, e.g. solar; e.g., wind. Not meant to distinguish between different solar technologies, for example.

- 1) A refined Energy Estimate, which approximates the availability of the renewable resource to be used by the Bid Facility.
- 2) A refined Production Estimate, which estimates the Bid Facility's ability to convert the renewable resource to electric power.

### **Solar**

An acceptable refined Resource Assessment includes a refined Energy Estimate and a refined Production Estimate as described below:

- 1) Refined Energy Estimate is produced using a low uncertainty data set and location proximate to Bid Facility location, using a Global Horizontal Irradiance (GHI) resource data set with less than or equal to 5% uncertainty, and within 5 km of the Bid Facility project site.
- 2) Refined Production Estimate which is based on an hourly P(50) 8760 that incorporates the refined Energy Estimate described above, and includes:
  - a. Use of an advanced performance model, such as: PVSyst (v.6 or later), Helioscope (web-based) or System Advisory Model (SAM, v.2017 or later);
  - b. Monthly soiling profile that reasonably captures the effects of winter snowfall;
  - c. A detailed shading model that describes row pitch, heights, collator widths and tilts;
  - d. Reasonable availability loss assumptions; and
  - e. Site temperature data, module temperature coefficients and electrical losses.

### **Wind**

An acceptable refined Resource Assessment includes a refined Energy Estimate and a refined Production Estimate as described below:

- 1) Refined Energy Estimate which characterizes the P(50) long-term hub-height wind conditions across the project area that includes:
  - a. Monitoring Campaign: One (1) full year of data at the Bid Facility site with meteorological towers at least 2/3 of planned hub height of Bid Facility turbines. Towers must be equipped with 1) high quality wind speed, direction and temperature sensors and 2) sonic detection and ranging (sodar) and/or light detection and ranging (lidar) remote wind speed sensors.
  - b. Data Analysis: The independent 3<sup>rd</sup>-party must describe the methods used to perform 1) climatological data adjustment with one or more specified high quality reference stations 2) quality control, assurance and validation including adjustments performed to treat erroneous, bad, and/or suspect measurements (e.g., removal and/or treatment of sensor failure, icing, tower shadow, etc.), 3) Data Gap Reconstruction, and 4) Sensor measurement adjustment. Description should include stations used, the relationship(s) with the observed data, and assessment of their quality.
  - c. Vertical and Horizontal Extrapolation: A description of the 1) vertical extrapolation method and results in the context of the observations on site and the regional climatology, 2) wind flow modeling approach, that includes the model(s) used,

model configuration and input data, use of onsite data and estimate of the model performance at the site.

- 2) Refined Production Estimate based on the refined Energy Estimate and including at least 10 years of long-term average wind resources (measured or modelled) combined with a Bid Facility specific project configuration (i.e., turbine characteristics, layout, site conditions, and losses). The refined Production Estimate which is based on an hourly P(50) 8760 schedule that considers long-term, net energy production presented on an annual and/or project life time scale. The refined Production Estimate must include:
  - a. Turbine performance characteristics shall be defined as accurately as possible for site conditions, including density-adjusted power curves, cut-out and restart values, special operating packages (e.g. cold temperature packages), and any other site-specific operational characteristics;
  - b. Turbine layout including the Bid Facility and any known adjacent turbine locations that may impact the Bid Facility);
  - c. Curtailment criteria estimation including any known or expected curtailments associated with permitting (e.g. bat curtailments, noise curtailments), or grid conditions (e.g. grid-mandated curtailments);
  - d. Detailed estimates of project technical losses and/or efficiencies associated with the six standard loss categories (technical losses are defined in Section VII);
  - e. Detailed estimates of wind resource and energy production uncertainties, including a total uncertainty on the net energy estimate;
  - f. Identification and description of the methods and/or software employed for assessing gross and net energy production, including the wake model(s). Eligible software packages include, but are not limited to:
    - OpenWind: <https://www.awstruepower.com/software/openwind/>
    - Wind Farmer: <https://www.dnvgl.com/services/windfarmer-3766>
    - WindPro: <https://www.emd.dk/windpro/>
    - WindFarm: <http://www.resoft.co.uk/>

## **Hydroelectric**

An acceptable refined Resource Assessment includes a refined Energy Estimate and a refined Production Estimate as described below:

- 1) Refined Energy Estimate characterizes expected P(50) stream flow from USGS gauges and net head assumptions for the Bid Facility Site, calculated based on hourly average flow values derived from a robust set of relevant historical flow data, accounting for uncertainty and site-specific factors:
  - a. Historical stream flow data sourced from USGS gauges or similar (if not USGS, describe) that 1) are based on average daily flow values for a minimum of 20 consecutive years, 2) includes and identifies the distance of the gauge from the site and any adjustment(s) made to calibrate measured values to expected flow available at the site, 3) specifies the timeframe during which the evaluation process took place;
  - b. Net head (gross head minus the hydraulic losses of the waterways) calculations specific to the Bid Facility site and time of year;



- c. Inclusion of any existing known operating limitations on dam or river system (seasonal minimal flows, flood control storage, permit restrictions, etc.) including flows available from upstream projects;
  - d. An assessment of the risk/uncertainty associated with water flow;
  - e. An assessment of sedimentation impacts.
- 2) Refined Production Estimate which is based on the Minimum Threshold as detailed in Section VII, and also take into account the following:
- a. Specific efficiencies of individual plant structures, consisting of turbine, generator and step-up transformer, which vary according to turbine type, discharge and available head. Typically, these are provided by equipment manufacturers based on the specific project design;
  - b. Electrical Losses;
  - c. Plant specific estimates of availability and forced outage rates;
  - d. Auxiliary load of the plant itself.

### **Fuel Cells**

An acceptable refined Resource Assessment includes a refined Energy Estimate and a refined Production Estimate as described below:

- 1) Refined Energy Estimate should be based on the Minimum Threshold standard as detailed in Section VII, plus evidence that (i) the system is interconnected and operating, or (ii) delivery service is currently in place to the site to provide fuel at sufficient pressure and quantity to operate the system as proposed;
- 2) Refined Production Estimate should be based on the Minimum Threshold as detailed in Section VII and also provide evidence that the fuel supply is provided either under gas utility tariff, or under a supply contract for greater than 75% of fuel required for Contract Tenor and Bid Facility as proposed.

### **Biomass and Biogas**

An acceptable refined Resource Assessment includes a refined Energy Estimate and a refined Production Estimate as described below:

- 1) Refined Energy Estimate should be based on the Minimum Threshold as detailed in Section VII. In addition, the refined Energy Estimate will include the following for eligible sources of biomass or biogas:

| Biomass and Biogas – Refined Standard Resource Assessment   |  |   |   |
|---|--|---|---|
| Wood/Ag/ Mixed Waste eligible feedstock/eligible technology combinations only   | Landfill Gas   | ADG (On-Farm, Food Processing)  | ADG (Municipal/ Industrial WWTP)  |
| Provide project specific testing/analysis of feedstocks, contingent contracts from key suppliers and supply/price risk assessment that includes stress tests on key variables such as loss of key suppliers or increased feedstock competition. | If applicable, for projects relying on additional waste disposal to meet gas generation targets, refined Resource Assessment shall also include an expert review of existing/planned waste disposal contracts and permit changes or updates. The assessment should also include risk analysis of potential failure modes on additional waste disposal. | Provide site/feedstock specific laboratory analysis to support methane generation analysis. Resource Assessment will include expert review of AD technology, market/disposal analysis for digestate/effluents and risk analysis that includes alternative uses/demand for feedstocks including emergent markets, if any. Include a review of contingent contracts with key suppliers of imported substrates (including food waste). | Provide a more detailed risk analysis that addresses what-if scenarios for changes in baseline biosolids capture and supply/pricing changes for co-digested substrates as applicable. Review of contingent contracts with key suppliers of imported substrates if applicable. For co-digestion projects, an expert review of site-specific AD technology performance and impact on disposal/market for digestate and effluent should be included. |

- 2) Refined Production Estimate should be based on the Minimum Threshold as detailed in Section VII, and will describe, characterize, and identify fuel/feedstock supply and pricing (including key suppliers) and project-specific fuel/feedstock risk factors that convey potential impacts on Bid Facility operations. If applicable, it includes any by-product streams or waste disposal costs that are important to the Bid Facility's operation (e.g., ash/digestate being sold as fertilizer).

## **SUPPORTING DOCUMENTATION REQUIRED FOR RESOURCE ASSESSMENT**

The Proposer may demonstrate that it has exceeded the Minimum Threshold Qualification Criteria for Resource Assessment by providing the following documents with its either its Step Two Application for Qualification (preferred) or Step Three Bid Proposal:

- The eligible technology specific descriptions and tables above describe all supporting evidence required to document progress in excess of the Minimum Threshold Qualification Criteria.

## **PROJECT VIABILITY CATEGORY 6: SITE CHARACTER**

There are no Minimum Qualification Thresholds for Site Character in RESRFP18-1; this Project Viability Category is part of the Step Three Bid Proposal.

A total of 1.5 points for Site Character has been distributed among two categories. The following table lists the Site Character categories and the points available in each:

|   | <b>Site Character Subcategory</b>                              | <b>Maximum Points Available</b> |
|---|--|---------------------------------|
| 1 | Avoids overlap with Prime Farmland                             | 1.0                             |
| 2 | Avoids overlap with Parcels holding an Agricultural Assessment | 0.5                             |

Bid Proposals associated with Bid Facilities not yet operational and located in the NYCA will be evaluated according to the Proposer's level of willingness to site and construct the Bid Facility's Permanent Physical Footprint in locations that avoid encroachment on land with agricultural importance to New York State by committing to avoid overlap with prime agricultural areas and to avoid development on parcels that at the time of the Bid held an agricultural assessment. Proposers may claim Site Character points in exchange for attesting that:

- 1) The permanent generation, interconnection and, if applicable, Energy Storage footprint (Permanent Physical Footprint) associated with the Bid Facility will avoid land identified by the United States Department of Agriculture (USDA) as prime farmland and prime farmland if drained ("Prime Farmland"). NYSERDA has provided Proposers with an [interactive, web-based Site Character map and downloadable GIS files](#) (SHP format) to identify Prime Farmland areas associated with the Bid Facility's project parcels<sup>58</sup>, and/or
- 2) The permanent generation, interconnection and, if applicable, Energy Storage footprint (Permanent Physical Footprint) associated with the Bid Facility will avoid parcels with an agricultural assessment at the time of Step Three Bid Proposal submittal. NYSERDA advises Proposers to consult with landowners or County Tax Assessment roles to determine if an agricultural assessment applies to a project parcel(s).

To earn points, Proposers submitting Step Three Bid Proposals for wind and solar Bid Facilities must also agree to construct the Bid Facility in accordance with New York Department of Agriculture and Markets (DAM) Construction Standards (Exhibit E).

To earn points, Proposers may attest that they will install the Bid Facility's generation and storage equipment such that they will avoid project overlap on Prime Farmland as outlined in the following table:

| <b>Project Viability - Site Character<br/>Percent of Bid Facility, Interconnection, and Energy<br/>Storage generation and other permanent equipment<br/>free of overlap with Prime Farmland</b> | <b>Maximum Points Awarded</b> |
|---|-------------------------------|
| 95.00-100%  | 1.0                           |
| 90.00-94.99%  | 0.5                           |
| 80.00- 89.99%   | 0.25                          |
| Less than 80.00%  | 0                             |

To earn points, Proposers may also attest that they will install the Bid Facility's generation and storage equipment such that they will avoid project overlap on parcels with an agricultural assessment as outlined in the following table:

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<sup>58</sup> RESRFP18-1 Project Viability Site Character Map and associated GIS files are available from <https://www.nyserra.ny.gov/resrfp18-1-resources>

| <b>Project Viability - Site Character<br/>Percent of Bid Facility, Interconnection, and Energy<br/>Storage generation and other permanent equipment<br/>free of overlap on parcels with an agricultural<br/>assessment</b> | <b>Maximum Points Awarded</b> |
|--|-------------------------------|
| 95.00-100%   | 0.5                           |
| 90.00-94.99%   | 0.5                           |
| 80.00- 89.99%  | 0.25                          |
| Less than 80.00%   | 0                             |

Bid Facilities currently in operation within the NYCA (those having an SoQ) and External Bid Facilities (those outside of the NYCA) are not eligible for Site Character points.

Proposers not selecting to attest that they will site and construct the Bid Facility such that it will avoid land of agricultural importance to New York State or avoid development on parcels that held an agricultural assessment will not receive any Site Character points.

#### **SUPPORTING DOCUMENTATION REQUIRED FOR SITE CHARACTER**

If the Bid Facility is under development, a Proposer may claim Project Viability Site Character points by selecting any of the percentages indicated above; points will be awarded based on the extent to which the Proposer attests 1) that the Bid Facility's installed equipment will avoid overlap with a) Prime Farmland and/or b) land with an agricultural assessment, and 2) for Proposers submitting Step Three Bid Proposals for wind and solar Bid Facilities that the Bid Facility will be constructed in accordance with New York Department of Agriculture and Markets (DAM) Construction Standards (Exhibit E).

NYSERDA will retain twenty-five percent (25%) of the Bid Facility's Contract Security. Such amount shall be refunded to Seller should NYSERDA determine, through Operational Certification (which will review the final site plan and the Site Character Map provided to Seller), that the percentage of encroachment of the Permanent Physical Footprint of the Bid Facility is equal to or less than the Defined Percentage(s). Such amount shall be forfeited to NYSERDA by Seller should NYSERDA determine, through Operational Certification (which will review the final site plan and the Site Character Map provided to Seller), that the percentage of encroachment of the Permanent Physical Footprint of the Bid Facility is greater than the Defined Percentage(s).

For wind and solar Bid Facilities where Site Character points were awarded, NYSERDA will retain twenty percent (20%) of the Bid Facility's Contract Security for a period of 365 days following the date upon which the project achieves Commercial Operation. Upon such date, NYSERDA will: (1) refund the retained Contract Security; or (2) if the New York State Department of Agriculture & Markets (DAM) has notified NYSERDA that the Bid Facility was not constructed in accordance with the DAM Construction Standards (incorporated herein and made part hereof at Exhibit E), NYSERDA will provide written notice to Seller of DAM's claim and NYSERDA will retain such 20% of the Contract Security until (a) DAM notifies NYSERDA that suitable corrective action has been taken, at which point such amount shall be refunded to the Proposer, or (b) 180 days from the date upon which NYSERDA provided notice to Seller, in which case such amount shall be forfeited to NYSERDA by Seller.

#### **CATEGORY 7: CONTRACT SECURITY ABOVE THE MINIMUM**

Under this category, Proposers may pledge to commit amounts above the \$9/MWh minimum required contract security specified in Section XI(3) of RESRFP18-1; the minimum required amount plus any amount pledged must be provided within 10 business days following the Award Notification Date.

| <b>Scoring Scale and Associated Standard</b>          | <b>Contract Security Pledged</b>  | <b>Maximum Points Awarded</b> |
|---|---|-------------------------------|
| 100%  | Highest Proposer pledge per MWh above the minimum gets full credit for this category.                                   | 1.0                           |
| Scaled to maximum between 0 – 100% of category points | $[\text{bid pledged security } (\$/\text{MWh}) / \text{maximum bid security } (\$/\text{MWh})] * \text{Maximum points}$ | Up to 0.99;<br>Scaled         |

#### **SUPPORTING DOCUMENTATION REQUIRED FOR CONTRACT SECURITY PLEDGED**

- Proposer will be asked to indicate, if elected, a pledge of additional security in the Step Three Bid Proposal.

**APPENDIX 3 - OPERATIONAL FLEXIBILITY AND PEAK COINCIDENCE APPENDIX**

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## INTRODUCTION

The Bid Proposal evaluation process for RES Tier 1 REC solicitations includes the application of an Operational Flexibility and Peak Coincidence (OpFlex) evaluation criterion that makes up 10% (10 points) of the Step Three scoring as described in Section XII(3) OpFlex of the RFP. The inclusion of this criterion is intended to incentivize renewable resources that provide grid services for cost minimization and reliability by addressing integration issues resulting from increased penetration of intermittent renewables, better matching generation to load, and encouraging dispatchable resources to balance the electric system, optimize generation dispatch, minimize operating reserve requirements, and address grid congestion and constraints. The OpFlex criterion employed in this RFP are intended to differentiate bids based on their effectiveness at meeting these objectives, as best possible under current market rules.

As a part of the Step Three Bid Proposal, Proposers will be invited to demonstrate all the necessary information and documentation to evaluate the Bid Facility for its contribution to each OpFlex subcategory. NYSERDA may request additional documentation as a part of its review of Step Three Bid Proposals.

### OPERATIONAL FLEXIBILITY AND PEAK COINCIDENCE CATEGORIES

The total of 10 points for OpFlex has been distributed among two categories. The following table lists the OpFlex categories and the points available in each:

|   | Category                       | Maximum Points Available |
|---|--------------------------------|--------------------------|
| 1 | Load Matching                  | 4.0                      |
| 2 | Energy Storage (if applicable) | 6.0                      |

The remainder of this Appendix will present the individual informational components of each of the two evaluation categories that make up the OpFlex criterion. **The tables shown below provide relevant details on levels of scoring within each category.**

#### CATEGORY 1: LOAD MATCHING

The Load Matching category evaluates a Bid Facility's ability to avoid over-generation, or energy production at times and in locations where production can be problematic. Over-generation, for purposes of this criterion, means generation during periods when the system cannot accommodate the excess generation. The quantity of hours with negative locational based marginal prices, (LBMPs or spot energy prices) are a primary market indicator of locations where there is insufficient load to absorb the excess energy and/or transmission to export the energy. Production during these times in these zones could result in curtailments (including inducing curtailment of other renewable energy sources), and generally less efficient operation of the system. Additional



generation, especially with production occurring during these low net load (or low LBMP) hours, could pose even greater issues with higher penetration.

This metric seeks to score a Bid Facility's impact accordingly, with higher scores for resources that are less likely to exacerbate issues of curtailment, negative energy pricing, and low-load dispatch based on a Bid Facility's expected energy production during the hours with lowest load in the Bid Facility's location. The Load Matching category therefore evaluates proposals based on the location (NYISO market Zone) of the Bid Facility.

Scoring will reflect periods where adding additional generation could create or exacerbate over-generation. Bid Facilities located in Zones G through K will receive 100% of the category points and do not need to provide further documentation to obtain the maximum points in this category, unless the Proposal includes Energy Storage.<sup>59</sup> Bid Facilities located in Zones A through F will receive a score in proportion to its capacity factor during the lowest ten percent (10%) of historic (2017) annual load hours for NYISO Zones A through F in aggregate. The lowest ten percent (10%) of historic annual load hours for NYISO Zones A through F in aggregate is called the Over-Generation Period (OGP).

Bid Facilities located outside of the NYCA or NYISO Market Zones (External Facilities) **are not eligible for Load Matching points.**

The Load Matching category scoring approach is summarized in the table below:

| Bid Facility Zone | Scoring   | Maximum Points Awarded             |
|-------------------|---|------------------------------------|
| Zones G-K         | 100% of category points (no P(50) annual expected hourly production profile is required, unless Step Three Bid Proposal includes Energy Storage)  | 4.0                                |
| Zones A-F         | <b>Score<sup>60</sup> = 75% of category points * [1-CF<sub>OGP</sub>]</b><br>where CF <sub>OGP</sub> = Bid Facility's average capacity factor during the lowest 10% of aggregated Zone load hours | Up to 3.0;<br>Scaled <sup>60</sup> |

<sup>59</sup> Over-generation resulting from additional electricity production is typically not an issue in Zones G-K, but poses potential issues in Zones A-F. Please see the Energy Storage category for further explanation on the provision of P(50) 8760.

<sup>60</sup> A Bid Facility with 0% average capacity factor (or no generation) during the lowest 10% of aggregated Zone load hours would receive 75% or 3.0 points of the Load Matching points available. A Bid Facility with 100% average capacity factor during the lowest 10% of aggregated Zone load hours would receive 0% or 0 points of Load Matching points available. Bid Facilities with average capacity factors between 0% and 100% would receive between 75% (3.0 points) and 0% (0 points) of Load Matching points available, based on the Bid Facility's average capacity factor.

For Bid Facilities to be physically located within the NYCA that are proposing with Energy Storage, the score for this category is based on the characteristics of both the Bid Facility and Energy Storage. Bid Facilities co-located with Energy Storage shall include the role of the Energy Storage in reshaping the production profile in the P(50) 8760. For Load Matching evaluation, NYSERDA will use the Resource Assessment provided in the Step Two Application for Qualification (described in Section VII Threshold Category 5: Resource Assessment), unless the Resource Assessment is refined or updated in the Step Three Bid Proposal (described in Appendix 2).

## **SUPPORTING DOCUMENTATION REQUIRED FOR LOAD MATCHING**

For Bid Facilities located in Zones A through F, the applicable capacity factors for evaluation purposes will be determined based on the Bid Facility's technology, as follows:

**Solar:** Proposers must provide, in a spreadsheet attachment template provided by NYSERDA, a typical year's 8,760 hourly production profile consistent with the P(50) output from the system performance model used in the Step Two Application for Qualification or, if applicable, the report from a 3rd party independent Professional Engineer or analyst as provided in Step Three (for Project Viability, Category 5 Resource Assessment).

The hourly production profile will be used by the TEP to calculate the system's capacity factor during the bottom 10% of load hours based on 2017 annual aggregate NYISO load data for Zones A through F.

**Wind:** Proposers must provide, in a spreadsheet provided by NYSERDA, a typical year's 8,760 hourly production profile consistent with the P(50) output from the model used in the Step Two Application for Qualification or, if applicable, the report from a 3rd party independent Professional Engineer, meteorologist or analyst as provided in Step Three (for Project Viability, Category 5 Resource Assessment).

**Biogas, biomass, landfill gas, and fuel cells, and ocean facilities:** Bid Facilities of these resource types will be assigned a 95% capacity factor during the lowest 10% of load hours.

**Hydroelectric and tidal facilities:** Proposers must provide, in a spreadsheet provided by NYSERDA, a typical year's 8,760 hourly production profile consistent with the P(50) output provided in the Step Two Application for Qualification or, if applicable, the report from a 3rd party independent Professional Engineer, as provided in Step Three (for Project Viability, Category 5 Resource Assessment).

The hourly production profile will be used by the TEP to calculate the system's capacity factor during the bottom 10% of load hours based on annual aggregate NYISO load data for Zones A through F.

## **CATEGORY 2. ENERGY STORAGE (IF APPLICABLE)**

Energy Storage can provide various grid services and operational flexibility benefits, such as load shifting, regulation, operating reserves, and local distribution support. The bigger the system (capacity relative to the coupled renewable energy system) and the more hours of storage available (MWh relative to MW capacity), the greater the benefits. However, market rules today are not clear as to how Energy Storage can qualify to provide those services to NYISO, the electric distribution company, or the generator.<sup>61</sup>

Thus, contributions of Energy Storage cannot be easily measured, but potential contributions can be valued. For the purposes of the Operational Flexibility and Peak Coincidence evaluation criteria, this scoring category values the ability to move energy over time to address the full range of challenges posed by intermittent renewables.

For purposes of this RFP, Bid Facilities may propose an Energy Storage system that is either:

- (1) co-located with the generation behind a single wholesale or retail meter in the NYCA, or;
- (2) co-located with the generation behind a separate wholesale or retail meter in the NYCA, or;
- (3) located in a separate location from the generation inside the NYCA (New York Control Area) and is subject to eligibility criteria specified in Section VI(B) and XI(C) of this RFP.

**Bid Facilities located outside of the NYCA or NYISO Market Zones are not eligible for Energy Storage points.**

NYSERDA has established three renewable technology size tranches based on the Nameplate Capacity of the eligible renewable technology in the Step Three Bid Proposal:

- a) Up to 20 MW
- b) 20.01 to 99.99 MW
- c) 100 MW and larger

The TEP will not award more than 6 points for Energy Storage. TEP scoring will be based on the following equations.

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<sup>61</sup> NYISO's report on The State of Storage: Energy Storage Resources in New York's Wholesale Electricity Markets is available on NYSERDA's RESRFP18-1 resources page: <https://www.nyserdera.ny.gov/resrfp18-1-resources>

### **Energy Storage Scoring (Maximum Points Available):**

#### **For Bid Facilities with Renewable Generator Nameplate Capacities up to 20 MW:**

Bid Facilities up to and including 20 MW in Nameplate Capacity proposing with Energy Storage have a minimum requirement of 1 MWh of Storage Capacity.<sup>62</sup> Proposals in the tranche will be converted to points using the following calculation:

$$y = 0.5x$$

Where x is equal to the MWh of Energy Storage, and y is the Energy Storage score.

#### **For Bid Facilities with Renewable Generator Nameplate Capacities 20 – 100 MW:**

Bid Facilities greater than 20 MW and less than 100 MW in Nameplate Capacity proposing with Energy Storage have a minimum requirement of 4 MWh of Storage Capacity. Proposals in the tranche will be converted to points using the following calculation:

$$y = 0.3333x - 0.6667$$

Where x is equal to the MWh of Storage Capacity, and y is the score for Energy Storage.

#### **For Bid Facilities with Renewable Generator Nameplate Capacities greater than or equal to 100 MW:**

Bid Facilities greater than or equal to 100 MW in Nameplate Capacity proposing with Energy Storage have a minimum requirement of 4 MWh of Storage Capacity. Proposals in this tranche will be converted to points using the following calculation:

$$y = 0.075x$$

Where x is equal to the MWh of Storage Capacity, and y is the score for Energy Storage.

### ***SUPPORTING DOCUMENTATION REQUIRED FOR ENERGY STORAGE***

Proposers must provide:

- Documentation of the physical/technical parameters, i.e. the Storage Capacity (MWh) capability of the Energy Storage system, sufficient for the TEP to calculate a score for this category.

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<sup>62</sup> Storage Capacity is the maximum amount of energy that is capable of being stored in an Energy Storage device, measured in Megawatt hours (MWh).