



Renewable Energy Standard

Incremental Economic Benefits Reporting Standards and Agreed Upon Procedures Report

For Sellers' reference in fulfillment of Section 5.02 (f), 6.04 and 6.10 of
the NYSERDA Agreement

Applicable to:
RESRFP22-1 (Attachment L)

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GLOSSARY

Agreed-Upon Procedures Report (AUPR) – a report of findings based on specific procedures performed on a subject matter; defined by the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Attestation Engagements, Number 18, *Attestation Standards: Clarification and Recodification*. Independent CPAs performing an AUPR do not provide an opinion or negative assurance. Instead, the AUPR is in the form of procedures and the Independent CPA's findings resulting from the performance of those procedures. It is produced by the Independent CPA as required by NYSERDA to support Seller's economic benefits claims.

Bid Facility – the electric generating station that has been identified and described in the Threshold Eligibility Application Form through which the Bid Facility was found to be eligible for participation in this RFP.

Claimed Expense – an expenditure included in the Economic Benefits Report prepared by the Seller.

Compliance Claim – the total of Claimed Expenses in the Seller's Economic Benefits Report.

Disadvantaged Community(ies) – The Climate Act directs the [Climate Justice Working Group](#) (CJWG) to establish criteria for identifying Disadvantaged Communities. On March 9, 2022, [a draft set of Disadvantaged Communities criteria established by the CJWG was released for public input](#). The Disadvantaged Communities criteria is expected to be finalized in 2023; until then, New York State has specified interim criteria for Disadvantaged Communities, which includes two types of communities, those: (i) located within census block groups that meet the U.S. Housing and Urban Development (HUD) 50% area median income (AMI) threshold of the top quartile of census block groups in New York, ranked by the percentage of low and moderate income (LMI) households, defined as households with annual incomes at or below 50% of the AMI of the county or metro area where the census block group resides, that are also located within the [DEC Potential Environmental Justice Areas](#); or (ii) located within [New York State Opportunity Zones](#). See <https://www.nyserda.ny.gov/ny/disadvantaged-communities> for more information including updates and links to GIS maps. Projects proposed prior to the finalization of the Disadvantaged Communities criteria shall reference the interim criteria when considering impacts to these communities. NYSERDA will provide updates on the status of the Disadvantaged Communities criteria, including when the final Disadvantaged Communities criteria will be adopted.

Economic Benefits Report – report prepared by the Seller, detailing the Incremental Economic Benefits accrued to New York as a result of the development, construction, modification, and operation of the Bid Facility from the RFP release date (*September 21, 2022*) through the end of the first three (3) Contract Years.

Expected Dollars/MW – the total dollar amount of Incremental Economic Benefits, as included in Article I and defined in Schedule 1 of the NYSERDA Agreement, expected to accrue to New York as a result of the development, construction, modification, and operation of the Bid Facility from the RFP release date (*September 21, 2022*) through the end of the first three (3) Contract Years.

Full Time Equivalent (FTE) – the hours worked by one employee on a full-time basis. Hours worked by several part-time employees may be converted into the hours worked by full-time employees annually. 2,080 work hours in a single year would be equal to one FTE (40 hours x 52 weeks = 2,080 hours). To calculate, divide the total hours worked by the average annual hours worked in full-time (e.g., 40 hours per week) jobs.

General Contractor – an individual or company responsible for the management and overall coordination of a construction project.

Host Community Benefit Program – Bid Facilities awarded under RESRFP22-1 are subject to requirements imposed by a PSC order issued under [Public Service Commission Case 20-E-0249](#), In the Matter of a Renewable Energy Facility Host Community Benefit Program. Residential electric utility customers residing in a renewable Host Community receive an annual bill credit for each of the first ten years that a Major Renewable Energy Facility operates in that community. Once a project reaches Commercial Operation, funding of residential customer bill credits will be provided by the owners of major solar and wind renewable energy facilities by paying an annual fee of \$500 per megawatt (MW) and \$1,000 per MW, respectively, of nameplate capacity.

Host Community Agreement – a contract between a Seller or project developer and municipal government(s), detailing the rights and obligations of each party during the construction, operation, and decommissioning of a Bid Facility, including financial, health and/or environmental benefits that will be provided to the community by the Seller or project developer.

Incremental Economic Benefits – Incremental Economic Benefits are those that: (1) fit within the three Incremental Economic Benefits Categories described in the RFP, (2) will accrue after an award under the RFP, (3) would not have accrued but for the award of a contract under the RFP, and (4) accrue during a period beginning with the RFP release date (*September 21, 2022*) and continuing through the first three years of the Contract Delivery Term. 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 Agreement are not Incremental Economic Benefits.

Independent CPA – the independent New York State certified public accountant (CPA), funded at the Seller's expense, that performs the steps to complete the agreed upon procedures and prepare an AUPR. The Independent CPA must not be an employee of the Seller's company, and must not prepare the Economic Benefits Report and accompanying documents.

Long-Term Jobs – jobs lasting more than three (3) years.

MWBE – Minority and/or Women - Owned Businesses Enterprises, as such term is as defined under New York State Executive Law Article 15-A.

New York State Firm (NYS Firm) – a company, business, or entity that is headquartered and/or located in New York State. A branch location of a non-NYS firm that operates within NY will be treated as a NYS Firm for the purposes of economic benefits verification.

Payment Application – construction document (for example, AIA Form G702 or similar) that details payments made to a general contractor or subcontractor.

Payments in Lieu of Taxes (PILOT) – payments made to local government(s) to compensate for some or all of the tax revenue lost as a result of tax-exempt ownership or use of land or property.

Proposer – an individual or entity that, in response to a RES RFP, has submitted a Step One Eligibility Application and a Step Two Bid Proposal.

SDVOB – Service - Disabled Veteran Owned Businesses as defined under the Service - Disabled Veteran Owned Business Act of New York State.

Seller – an individual or entity that, in response to a RES RFP, has submitted a Step One Eligibility Application and a Step Two Bid Proposal, has been selected by NYSERDA for an award, and has entered into a NYSERDA Agreement. The Seller is the entity undertaking the Economic Benefits Report.

Short-Term Jobs – jobs lasting less than three (3) years.

RES Standard Form Agreement – (“NYSERDA Agreement”) the standard contractual document issued as a part of a RES RFP to be entered into by NYSERDA and selected Sellers, which defines, among other things, their rights and obligations concerning the Transfer of Tier-1 Renewable Energy Certificates to NYSERDA, and the payments by NYSERDA during the term of the agreement.

RES – Renewable Energy Standard, the renewable energy component of New York’s Clean Energy Standard.

RFP – the applicable RES Request for Proposals referenced on the cover page of this document under which the Seller was selected.¹

Verified Total Dollars – the total dollar amount of Incremental Economic Benefits verified by NYSERDA to have accrued to New York as a result of the development, construction, modification, and operation of the Bid Facility or Upgrade from the RFP release date (*September 21, 2022*) through the end of the first three (3) Contract Years.

Additional Definitions are included in Article I of the NYSERDA Agreement.² Seller specific values are found in Schedule 1 of the NYSERDA Agreement.

¹ A digital copy of the RFP can be found [here](#).

² A digital copy of the NYSERDA Agreement can be found [here](#).

I. BACKGROUND

This document informs entities (“Sellers”) who claimed Incremental Economic Benefits and received awards under a Clean Energy Standard, Renewable Energy Standard Request for Proposals (“RFP”) on how to comply with the Incremental Economic Benefits verification requirements.

As described in the RFP,³ one of the selection criteria used in scoring proposals and determining awards was an evaluation of the Incremental Economic Benefits Claims submitted by the proposer as expected to accrue to New York because of the development, construction, modification, and operation of the Bid Facility. Once awarded under an RFP, a proposer and NYSERDA enter into a NYSERDA Agreement and the Proposer is then considered a Seller.

As was stated in the RFP, independent verification of the Compliance Claim is required after the first three years of the Contract Delivery Term. The Contract Delivery Term commences on the first day of the month after the Bid Facility commences Commercial Operation. (See e.g., RESRFP22-1 Summary Sections 4.2, and 8.3.5 for a detailed description of Incremental Economic Benefits to New York State eligibility.)

Sellers are required to submit, at Seller’s expense, an Economic Benefits Report demonstrating the amount of Incremental Economic Benefits that resulted from the construction and operation of the Bid Facility under the three categories and within the eligibility requirements listed in the RFP. Sellers are further required to engage a New York State certified, independent certified public accountant (Independent CPA) to prepare an Agreed Upon Procedures Report (AUPR) for the purpose of ensuring and confirming that the Seller has included only qualifying Incremental Economic Benefits in its Economic Benefits Report (See Sections 6.04 and 6.10 of the NYSERDA Agreement).

Should the Verification Process fail to reasonably demonstrate and support a total dollar amount of Incremental Economic Benefits that, divided by Installed Bid Capacity, is at least 85% of Expected Dollars/MW, NYSERDA may at its option, upon Notice to Seller, modify the NYSERDA Agreement by reducing the Monthly REC Price payable for the remainder of the Contract Delivery Term by an amount equal to the percentage shortfall between the Verified Total Dollars divided by the Installed Capacity compared to the Expected Dollars/MW.

The remainder of this document is organized as follows:

- **Section II, Verification Process**, lays out the steps to be taken by the Seller, Independent CPA, and NYSERDA during verification.
- **Section III, Independent CPA Qualifications**, provides guidance on the qualifications the Seller’s Independent CPA must meet.
- **Section IV, Economic Benefits Reporting Standards**, informs the Seller how to prepare an Economic Benefits Report, including the definitions of valid expense claims for Incremental Economic Benefits and how such Incremental Economic Benefits claims must be documented by the Seller, according to standardized submission and documentation processes and best practices.

³ E.g., RESRFP22-1 Sections 4.2 and 8.3.5

- Section V, Guidance for Independent CPA; Agreed Upon Procedures, describes the agreed upon procedures to be performed by the Independent CPA to support the Seller's economic benefits claims. Findings must be documented in an AUPR.

Objectives of Reporting Economic Benefits under Reporting Standards

The Economic Benefits Report keeps Proposers/Sellers accountable for their Incremental Economic Benefits claims and encourages Proposers/Sellers to put forward realistic estimates of spending and impact in their proposals. Further, the reports also generate valuable information about the actual economic benefits accruing to New York State from these procurements.

The Reporting Standards establish clear guidelines and requirements to standardize bid submissions and post-award Economic Benefits Reports. The Reporting Standards define valid expense claims, how such claims must be reported, and acceptable documentation.

The verification requirement is intended to ensure independent validation of Incremental Economic Benefits. Verification conducted by qualified professionals according to professional standards is intended to keep the verification process fair, transparent and streamlined.

II. VERIFICATION PROCESS

The verification process is as follows.

- Step 1. Six (6) months before the third (3rd) anniversary of the commencement of the Contract Delivery Term (i.e., 30 months after the beginning of the Contract Delivery Term), Seller must provide the name of its selected Independent CPA to NYSERDA. Upon engagement, Seller is to provide the following to the Independent CPA:
- Step Two Bid Proposal submitted by Seller under the RFP, including RESRFP22-1 Summary Section 4.2 Incremental Economic Benefits to New York State, Section 8.3.5 Incremental Economic Benefits to New York State and Disadvantaged Communities, and required attachment: Bid Data Form (extracting only the Economic Benefit information, see Attachment 1 for an example of the template);
 - NYSERDA's confirmation to Seller of the Expected Total Dollars (\$0,000,000), found in Schedule 1 of the NYSERDA Agreement;
 - Copies of the RFP and NYSERDA Agreement for reference.
- Step 2. The Seller will prepare an Economic Benefits Report documenting the total dollar amount of *actual* Incremental Economic Benefits accrued to New York as a result of the development, construction, modification, and operation of the Bid Facility from the RFP release date (*September 21, 2022*) through the end of the first three (3) years of the Contract Delivery Term. The Economic Benefits Report should document expenditures in each of the Economic Benefits categories, as described in the RFP (e.g., RESRFP22-1,8.3.5) and herein, and should be prepared according to the guidelines provided in Section IV herein. If applicable, it is important to clearly identify Economic Benefit claims that are realized in part or in full by Disadvantaged Communities so that they may be verified in keeping with Section 6.10 of the NYSERDA Agreement,⁴ as well as to clearly identify Economic Benefit claims that are realized in part or in full by MWBE or SDVOB enterprises.
- Step 3. The Seller must provide its Economic Benefits Report to the Independent CPA, collect all supporting documentation to support the Claimed Expenses in the Economic Benefits Report, and be prepared to submit all documentation requested by the Independent CPA as needed to conduct the AUPR.
- Step 4. The Independent CPA will perform the Agreed Upon Procedures as described in Section V Guidance for Independent CPA; Agreed upon procedures. The Independent CPA will prepare an AUPR in accordance with the Agreed Upon Procedures in Section V.

⁴ The CLCPA includes a target of delivering 40 percent of the overall benefits from New York State's climate programs to Disadvantaged Communities, a term for which rules are being actively promulgated by New York State. Disadvantaged Communities are identified in the CLCPA as communities that bear burdens of negative public health effects, environmental pollution, impacts of climate change, and possess certain socioeconomic criteria, or comprise high-concentrations of low- and moderate- income households. Acknowledging that New York State has not yet formally defined Disadvantaged Communities, this RFP will rely on already-established criteria for communities that meet the spirit of the Disadvantaged Communities objectives of the CLCPA. Bid Proposals had the opportunity to be awarded more evaluation points if the Proposer demonstrated benefits of the project's development were to be afforded to communities located in Disadvantaged Communities under the current Interim Criteria.

- Step 5. The Independent CPA will submit the AUPR and Economic Benefits Report provided by the Seller to NYSERDA within one hundred twenty (120) days of the third anniversary of the commencement of the Contract Delivery Term.
- Step 6. Seller, at its option, may provide a final Economic Benefits Report to NYSERDA that addresses questioned costs identified in the AUPR. If Seller so chooses, it must be submitted to NYSERDA within one hundred twenty (120) days of the third anniversary of the commencement of the Contract Delivery Term.
- Step 7. NYSERDA will examine the Economic Benefits Report and AUPR and calculate the Verified Total Dollars divided by the Installed Capacity. NYSERDA will then compare the Verified Total Dollars divided by the Installed Capacity against the Expected Dollars/MW. If NYSERDA finds the Verified Total Dollars divided by the Installed Capacity to be less than 85% of the Expected Dollars/MW, NYSERDA will notify Seller and may make a price adjustment pursuant to the NYSERDA Agreement Article V. Adjustments.
- Step 8. Seller, at its option, may provide an additional and final Economic Benefits Report to NYSERDA that addresses questioned costs identified in the AUPR or deficiencies found by NYSERDA. If Seller so chooses, it must be submitted to NYSERDA within thirty (30) days of NYSERDA's notification.

If NYSERDA finds that any of the review steps in the AUPR have not been completed, the Seller will not be considered to have completed its required reporting until the AUPR is satisfactorily revised to reflect that the agreed upon procedures were conducted. Sellers will be subject to the adjustments outlined in their NYSERDA Agreement for failure to comply with the contractual obligation to demonstrate Verified Total Dollars.

III. INDEPENDENT CPA QUALIFICATIONS

The Seller must engage an independent New York State certified public accountant in good standing, registered, and licensed by the State of New York to prepare an AUPR using agreed upon procedures in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Attestation Engagements, Number 18, *Attestation Standards: Clarification and Recodification*. The Independent CPA must not be an employee of the Seller's company and cannot take part in preparing the Economic Benefits Report.

The Independent CPA must complete the agreed upon procedures and produce an AUPR in accordance with the process outlined in Section V Guidance for Independent CPA; Agreed upon Procedures.

IV. ECONOMIC BENEFITS REPORTING STANDARDS

This section provides guidance to Sellers on preparing the Economic Benefits Report. These Reporting Standards specify the definitions of valid Claimed Expenses and how they must be documented, according to standardized submission and documentation processes and best practices.

In accordance with the RFP, Economic benefits may fall into one of the following categories:

Category 1. Long-Term Economic Benefits to New York State

Category 2. Short-Term Economic Benefits to New York State

Category 3. Investments/Commitments to Local Economic and Workforce Development

For Category 3 only, the Economic Benefits Report should include both related expenses as well as Seller's non-monetary contributions to economic and/or workforce development in New York State (see Category 3, Part 3 below).

Requirements and Instructions for Sellers

Sellers must prepare the Economic Benefits Report in three Parts:

- Part 1: Provide a written summary of the actual Category 1, 2 and 3 Incremental Economic Benefits created by the Bid Facility from the RFP release date (*September 21, 2022*) through the first three years of the NYSEERDA Contract Delivery Term. The summary must reflect the total expenditures by category and align with the dollar total of the entries in Part 2 of the Economic Benefits Report. The categories are listed below and mirror the Incremental Economic Benefit Claims subcategories in the Step Two Bid Proposal submitted by the Seller. If applicable, include and clearly identify Economic Benefit monetary and non-monetary claims that are realized in part or in full by Disadvantaged Communities.
- Part 2: Provide an organized list of detailed Category 1, 2 and 3 expenses substantiating the summary in Part 1 in a Microsoft Excel spreadsheet format provided by NYSEERDA (Attachment 2. Seller's Incremental Economic Benefits Report Part 2 Template). Supporting transaction details must be submitted by the categories listed below in the NYSEERDA-provided template or another agreed-upon format. (Please refer to the template for specific entry instructions by category). The spreadsheet totals must match the summary data presented in Part 1 of the Economic Benefits Report.
- Part 3: For Category 3 only: Provide an organized list of documents substantiating Category 3 non-monetary incremental economic benefits from the summary in Part 1, listing them by file name format provided by NYSEERDA (Attachment 2. Seller's Incremental Economic Benefits Report Part 2 Template). Supporting documents substantiating non-monetary Category 3 Incremental Economic Benefits must be submitted in pdf format or another agreed-upon format. This documentation is intended to allow Sellers to substantiate non-monetary aspects of the Seller's Category 3 local economic and workforce development commitments, as submitted in their Bid Proposal.

Please note that Sellers were invited to include in their Bid Proposals Economic Benefits that would accrue in Disadvantaged Communities and Economic Benefits that would accrue to Minority and/or Women-Owned Business Enterprises (MWBE) and Service-Disabled Veteran-Owned Businesses (SDVOB). Commitments in Disadvantaged Communities and to MWBE or SDVOB were given additional points in the evaluation. Commitments to Disadvantaged Communities and to MWBE or SDVOB may have been included in any of the three Categories, and commitments to Disadvantaged Communities are included in Section 6.10 and commitments to MWBE and SDVOB are included as Expected MWBE and SDVOB Dollars/MW in Section 5.02(f) of the NYSERDA Agreement.

Seller should be prepared to provide supporting documentation for the transactions entered in Part 2 for each Category. Supporting documentation must include adequate third-party information to allow an Independent CPA to identify the transactions as eligible expenses incurred in New York as the result of the development, construction and/or operation of the Bid Facility. For transactions with MWBE and SDVOB, the Seller must provide the CPA with copies of the State certification forms either a) certifying an MWBE from the Division of Minority and Women's Business Development (DMWBD), or b) certifying an SDVOB from the Office of General Services. The Independent CPA will request the specific documentation, and Sellers must be able to provide all documentation requested electronically and in an organized form. See Section V Guidance for Independent CPA; Agreed upon Procedures for more detail. **NYSERDA retains the right to request any and all documentation of claims made by Seller.**

Preparing the Economic Benefits Report

Incremental Economic Benefits were evaluated across the three Incremental Economic Benefits categories in the RFP, and must be reported and verified by the same categories. If applicable, Economic Benefit claims that are realized in part or in full by Disadvantaged Communities, MWBE or SDVOB must be clearly identified. The Economic Benefits Report must describe, document, and substantiate payments and expenses the Seller accrued in each of the following categories in both a narrative summary (Part 1) and a detailed list (Part 2). For Category 3 benefits only, a Part 3 is to be included that includes documentation to substantiate commitments to local economic or workforce development. Should realization of non-monetary Category 3 commitments result in any qualifying monetary Category 1 or Category 2 economic benefits, those expenditures, when substantiated, may be counted towards the Verified Total Dollars. The Seller must be prepared to provide acceptable documentation as described below upon request by the Independent CPA. If a Bid Facility did not accrue Incremental Economic Benefits in all categories, the Seller should note in Part 1 which category is not applicable, and will not need to enter information on this category in Part 2.

Sellers may **not** include 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. Only those Incremental Economic Benefits meeting these criteria and falling within the categories defined below may be included in the Economic Benefits Report.

The NYSERDA Agreement includes, at Section 6.10, a description of each Disadvantaged Community Commitment contained in the Seller's Bid Proposal. Note that, as per the NYSERDA Agreement, a Seller may, with NYSERDA's consent, substitute a Disadvantaged

Community Commitment that they identified in Section 6.10(a) with one or more substitute Disadvantaged Community(ies) Commitment(s) in New York State. However, should the Seller fail to fulfill any identified Disadvantaged Community Commitment, Seller shall make payment to NYSERDA in the amount of the unfulfilled dollar value of such commitment no later than sixty (60) days after the Commercial Operation Date of the Bid Facility or the date identified in such Commitment, whichever is later. In recognition of the fact that New York State has not yet formally finalized the definition of Disadvantaged Communities as of this RFP release date (*September 21, 2022*), NYSERDA will allow Sellers to indicate in their Economic Benefits Report whether expenditures were realized by Disadvantaged Communities under the interim criteria or the finalized criteria as it is defined at the time of the conducting of the AUPR.

These expenditures will be demonstrated by the Seller to NYSERDA using Attachment 1 and Attachment 2 of this document. Using these attachments, the Seller will designate whether expenditures were made to residents of, companies located in, or entities located in a Disadvantaged Community, as defined under either the interim Disadvantaged Community criteria or the finalized Disadvantaged Community criteria.⁵ The Seller will verify whether expenditures fall within territories designated under either Disadvantaged Community criteria by using:

- the interactive map of interim criteria Disadvantaged Communities that is hosted via weblink on the 2022 Solicitation webpage for RESRFP22-1, which can be navigated to from the Large-Scale Renewables Solicitations webpage: <https://www.nyserda.ny.gov/ces/rfp>; and
- the interactive map of final criteria Disadvantaged Communities hosted on the Large-Scale Renewables Solicitations webpage, located here: <https://www.nyserda.ny.gov/ces/rfp>; and
- by entering the addresses of expenditures from the Economic Benefits Report into the search function of the interactive maps; and
- the Seller will indicate whether benefits claimed as being realized by a Disadvantaged Community were realized by Disadvantaged Communities under the interim or finalized criteria in the appropriate column of the Economic Benefits Report Part 2.

These incremental benefits will be verified by the Independent CPA against the interim Disadvantaged Communities defined in New York State by the New York State Department of Environmental Conservation's (DEC) Climate Justice Working Group at the time of the Bid Proposal deadline of the Tier 1 Solicitation (August 26, 2021), as well as the finalized Disadvantaged Communities defined in New York State by the DEC Climate Justice Working Group at the time the AUPR is conducted.

The NYSERDA Agreement includes, at Section 5.02(f), a description of MWBE and SDVOB Commitment contained in the Seller's Bid Proposal. Should the Seller fail to fulfill any identified MWBE and SDVOB Commitments, Seller shall make payment to NYSERDA in the amount of the unfulfilled dollar value of such commitment no later than six months of NYSERDA's notification to the Seller of any such shortfall. Upon mutual consent of the Parties, amounts due to NYSERDA under Section 5.02(f) may be deducted by NYSERDA from payments owed to the Seller under Article IV of the Agreement.

⁵ For more information on Disadvantaged Communities in New York State, visit: <https://www.nyserda.ny.gov/ny/disadvantaged-communities>

Note that payments for non-renewable fuels (e.g. natural gas) are not eligible for consideration in any Economic Benefits category.

Category 1. Long-Term Economic Benefits to New York State

Part 1: Describe the degree to which the development, construction, and operation of the Bid Facility directly created (added) long-term jobs (jobs lasting more than 3 years) and/or accrued long-term payments to the New York State economy, its municipalities and/or residents. Payments that provided long-term royalties, production-based payments, land lease or land use payments or other forms of compensation are eligible in this category. Eligible claims include:

a) Employment of New York workers in the form of long-term jobs (jobs lasting longer than three years). These can include, but are not limited to, jobs associated with operations and maintenance, plant management, long-term project development, or similar;

For the subcategory “a” above, describe the degree to which the operation of the Bid Facility directly created (added) Long-Term Jobs (jobs lasting more than 3 years) in New York. Examples include, but are not limited to, those jobs associated with operations and maintenance, plant management, or similar functions. Describe the type of jobs, roles and responsibilities, and any other information that will characterize and explain the specific data provided in Part 2 (below). Identify the total number of jobs created in Full Time Equivalents (FTEs).

b) Establishment of a project office in New York State, including pre-development activities, leases/purchases, and related employment not claimed as jobs associated with operations and maintenance, plant management, long-term project development, or similar;

c) New or increased local property tax payments to school districts, cities, towns, or other taxing jurisdictions;

d) Payments in Lieu of Taxes (PILOT) agreements or other alternative taxing mechanisms and forms of compensation;

e) Host community payments (including Host Community Benefit Program payments), mitigation/conservation payments, or other funds that will directly benefit the host community for more than three years, such as Seller-funded projects that will not be linked to the Bid Facility (e.g. new building or infrastructure improvements to the host town(s), funds established in the host town to benefit local residents);

For subcategories b-e above, describe how the Bid Facility’s operation has resulted in the establishment of a project office and related leases/purchases, provided a Host Community Benefit Program payment, provided 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, or other funds that will directly benefit the host community for more than three years.

- f) Land purchase payments or payments for leases of land in New York (land purchase payments and payments for leases of land in New York) associated with securing rights to a Bid Facility site. Land purchase payments will be pro-rated for evaluation purposes to reflect the eligible time period for Economic Benefits claims. A 15% de-rating factor is to be applied to land purchase payments: For avoidance of doubt, a land purchase payment of \$1,000,000 would be pro-rated to 15% of that value, or \$150,000; and
- g) Payments associated with the production of electricity, such as renewable fuel purchases.

For subcategories f-g above, describe how the Bid Facility's operation has provided 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, solar). Examples include payments for leases of land in New York and payments associated with the production of electricity. Payments for non-renewable⁶ fuels for the production of electricity (such as natural gas) are not eligible for inclusion in any Economic Benefits category.

Part 2: Follow the instructions for the specific Category 1 subcategories below.

- a) List each job created, providing the type of job, the job title, duration, and the total compensation and direct benefits (excluding overhead for normal operations) over the reporting period. If a position listed is a Long-Term Job filled by more than one employee over the three-year period, provide an explanation of such in the notes field.
- b-e) List separately all project office related payments, tax payments, PILOT arrangements and/or Host Community Agreement payments with all affected jurisdictions and interconnecting utilities. (All other taxes and payments to municipalities or state agencies, including New York State sales taxes and local sales taxes, fees to town clerks, permit fees, etc., may be included under Category 2. Short-Term Economic Benefits to New York.)
- f-g) List separately all payments for royalties, production-based payments, land lease, land use payments, and fuel purchases.

Provide summary data for the total dollars for all long-term economic benefits (compensation/salaries and benefits, tax and municipal payments, other payments) from the RFP release date (*September 21, 2022*) **through the end of the first three (3) Contract Years of operation**. Report these summary data in Part 1.

Prepare documentation for the Independent CPA to substantiate the Category 1 claims.

- a) This may include yearly tax documentation for each long-term employee (W-2); payroll reports from a third-party payroll service identifying the primary employer; and benefits payment documentation (invoices from health or other benefits

⁶ [Appendix A](#) of the Clean Energy Standard Order that defined renewable fuels on August 1, 2016 was amended by the subsequent [Order Adopting Modifications to the Clean Energy Standard on October 15, 2020](#).

providers identifying benefits cost by employee). Documentation must clearly indicate each employee's state of residence.

- b-g) This may include invoices, receipts, and accompanying documentation to confirm actual payment(s) with copies of PILOT Agreements or Host Community Agreements; or other invoices and accompanying documentation to confirm actual payment(s), including copies of 1099's for all landowners for each year, with copies of easement and lease agreements.

Category 2. Short-Term Economic Benefits to New York State

Part 1: Describe the degree to which in-state (include local and statewide) economic activity increased as a result of in-state purchases and short-term jobs. Describe the types, duration, the number of jobs in Full Time Equivalents (FTEs), and the average annual salary and benefits for all jobs. Eligible claims include:

- a) Employment of workers in New York in the form of short-term jobs (jobs lasting less than three years). These can include New York State 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;
- b) Employment of workers in New York for ongoing operations and maintenance expenses which are anticipated through the first three (3) years of Commercial Operation;
- c) Employment of workers in New York in the form of short-term jobs (jobs lasting less than three years) that will support the establishment of a project office in New York state and that are not already claimed as long-term economic benefits;
- d) Purchase or use of local goods and services, such as, but not limited to, food, lodging, vehicles, equipment, and/or fuel;
- e) Other funding that will directly benefit the host community for less than three years, such as Seller-funded projects that will not be linked to the Bid Facility (e.g., a renewable energy career fair, sponsorship of a community event, etc.);
- f) Purchases of materials sourced from within New York such as, but not limited to, gravel, steel, concrete and similar materials, purchases 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. Bid Facility components (e.g. wind turbines, solar panels) not manufactured within New York are not eligible for consideration in any Economic Benefits category.

For each subcategory a-f above, list each type of purchase, service, or employment 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 RFP release date (September 21, 2022) through the end of the first three (3) Contract Years of operation (Expected Total Dollars).

Part 2: List all payments for short-term jobs, land purchases, goods, services, materials, operations or maintenance expenses.

Provide summary data for the total dollars for all short-term economic benefits from the RFP release date (*September 21, 2022*) **through the end of the first three (3) Contract Years of operation.** Report these summary data in Part 1.

Prepare documentation for the Independent CPA to substantiate claims of in-state purchases, consumption of goods, and short-term employment. This includes documentation to substantiate claims in the following sub-categories:

1. Direct short-term employment hired by the Seller:
 - Acceptable documentation includes invoices and accompanying documentation to confirm actual payment(s) made toward short-term New York State jobs; W-2's, 1099's or other tax documentation; copies of subcontracts detailing short-term labor provided under such contracts; confirmation of labor being sourced from within NY (identify if a specific labor union was used or provide employee names and confirmation of New York State residency status).
2. Short-term employment created by the Seller's use of New York State Firms for engineering, environmental, financial, legal or other services, or other consultants associated with the development and construction/modification of the Bid Facility;
3. Purchases of materials sourced from within New York, or the purchase and use of equipment and products manufactured or assembled within New York, or the use of rental equipment or similar supplies sourced from within New York; and/or
4. Expenses related to ongoing operations & maintenance:
 - Acceptable documentation applicable to the above sub-categories 2, 3, and 4 includes itemized receipts, a check register report per vendor (which includes the check numbers, dollar amounts, invoice numbers paid and totals); each corresponding individual invoice that was submitted for payment accompanied by proof of payment; a bank statement for a sampling of checks or wire transfers if deemed necessary by the Independent CPA.
5. Land purchase payments associated with securing rights to a Bid Facility site:
 - Acceptable documentation includes a copy of a deed or title from the County Recorder or Register and accompanying Statement of Sale, or other equivalent evidence of property payment and transfer (i.e., Note and Mortgage if financing was used in transaction).
6. Purchases and consumption of local goods and services:
 - Acceptable documentation includes receipts for hotels, meals, fuel, rental cars, and equipment purchased in New York. Per diem payments made to non-New

York State residents without specific, itemized expenses are not an acceptable form of documentation.

7. Expenditures incurred by a General Contractor for any of the expenses above, require the same documentation as outlined above. Seller is responsible for obtaining all necessary documentation from General Contractors, including Part 2 (spreadsheet) entries and supporting documents:
- If the General Contractor is located in New York State: Acceptable documentation of in-house labor billed to the project by the contractor includes payroll records with confirmation of New York State residence of employees where available. General Contractor may also self-certify costs of in-house equipment use. Acceptable documentation includes records of equipment used in construction of the Bid Facility. Documentation should be accompanied by a letter signed by a principal of the company attesting to the expenses. If the General Contractor is located outside New York State, in-house labor and equipment expenses are not eligible for submission.
 - New York subcontractors utilized by the General Contractor: Acceptable documentation includes the General Contractor's check register reports by vendor (which includes the check numbers, dollar amounts, invoices paid and totals); the last Payment Application and final release waiver for each subcontractor to corroborate the payments in the check register report; a bank statement for a sampling of checks or wire transfers if deemed necessary by the Independent CPA.
 - New York suppliers/vendors utilized by the General Contractor (not part of a subcontract agreement): Acceptable documentation includes the General Contractor's check register reports by vendor (which includes the check numbers, dollar amounts, invoices paid and totals); corresponding individual invoices that were submitted for payment; a bank statement for a sampling of checks or wire transfers if deemed necessary by the Independent CPA.

Category 3. Investments/Commitments to Local Economic and Workforce Development

Part 1: Describe other expenditures related to economic and workforce development activities. Eligible Incremental Benefits claims in this category can include, but are not limited to:

- a) Entering into a project labor agreement, labor peace agreement, or other good-faith labor agreement as part of the construction and operation of the Bid Facility;
- b) Hosting of local internships and programs in New York for students in renewable energy education in partnerships with local school systems and local NGOs/foundations;
- c) Hosting of clean energy sector occupation apprenticeships or training programs in New York in partnership with community colleges, vocational schools, and/or NGOs/foundations;
- d) Hosting of environmental justice programs;

- e) Partnering and/or hosting other on-site or proximate businesses or industries that are planned to be co-developed with the Bid Facility; and
- f) Establishing an energy cost-saving Community Choice Aggregation (CCA) or bilateral power purchase agreements (PPA) with the host communities and/or regional entities.

Part 2: List all payments for investments in local economic development or workforce development. Provide summary data for the total dollars for all incremental economic benefits from the RFP release date (*September 21, 2022*) **through the end of the first three (3) Contract Years of operation** (Total Dollars). Report these summary data in Part 1.

Prepare documentation for the Independent CPA to substantiate claims of economic and workforce development. This includes documentation to substantiate claims in the following sub-categories:

1. Expenditures related to entering into a project labor agreement, labor peace agreement, or other good-faith labor agreement as part of the construction and operation of the Bid Facility:
 - Acceptable documentation includes invoices, receipts, and accompanying documentation to confirm actual payment(s) made toward assessment, negotiation, or execution of a project labor agreement, labor peace agreement, or other good-faith labor agreement; W-2's, 1099's or other tax documentation; itemized receipts, each corresponding individual invoice that was submitted for payment accompanied by proof of payment.
2. Expenditures related to hosting paid renewable energy education internships and programs with local school systems and NGOs/foundations:
 - Acceptable documentation includes invoices, receipts, and accompanying documentation to confirm actual payment(s) made toward internships and programs with local school systems, NGOs or foundations; W-2's, 1099's or other tax documentation; itemized receipts, each corresponding individual invoice that was submitted for payment accompanied by proof of payment.
3. Expenditures related to hosting occupation apprenticeships or training programs with community colleges, vocational schools, and NGOs/foundations:
 - Acceptable documentation includes invoices, receipts, and accompanying documentation to confirm actual payment(s) made toward apprenticeships and training programs with local community colleges, vocational schools and NGOs or foundations; W-2's, 1099's or other tax documentation; itemized receipts, each corresponding individual invoice that was submitted for payment accompanied by proof of payment.
 - If for an apprenticeship, a partnership letter or letter of intent to work with a community college, vocational school, NGO, or foundation to utilize existing apprenticeship programs registered with New York State Department of Labor

(DOL) or a proof of filing of an application for a Registered Apprenticeship with DOL.

4. Expenditures related to hosting environmental justice programs:

- Acceptable documentation includes invoices, receipts, and accompanying documentation to confirm actual payment(s) made toward developing and implementing environmental justice programs; W-2's, 1099's or other tax documentation; itemized receipts, each corresponding individual invoice that was submitted for payment accompanied by proof of payment.

5. Expenditures related to hosting proximate businesses or industries co-developed with the Bid Facility:

- Acceptable documentation includes invoices, receipts, and accompanying documentation to confirm actual payment(s) made toward developing proximate businesses or industry; W-2's, 1099's or other tax documentation; itemized receipts, each corresponding individual invoice that was submitted for payment accompanied by proof of payment.

6. Expenditures related to developing a Community Choice Aggregation (CCA) or power purchase agreement (PPA) with the host community of the Bid Facility:

- Acceptable documentation includes invoices, receipts, and accompanying documentation to confirm actual payment(s) made toward developing and administering a CCA or PPA; W-2's, 1099's or other tax documentation; itemized receipts, each corresponding individual invoice that was submitted for payment accompanied by proof of payment.

Part 3: List all non-monetary benefits to local economic or workforce development.

Provide substantiation for all non-monetary Category 3 Incremental Economic Benefits from the RFP release date (*September 21, 2022*) **through the end of the first three (3) Contract Years of operation**. Report these summary data in Part 1.

Prepare documentation for NYSERDA Staff or Contractors to review for the non-monetary claims of economic and workforce development. For avoidance of doubt, this information is to be included in the Economic Benefits Report prepared by the Seller, but the CPA will not be responsible for verifying the accuracy of any non-monetary claims related to local economic or workforce development. This includes documentation to substantiate claims in the following sub-categories:

1. Entering into a project labor agreement, labor peace agreement, or other good-faith labor agreement as part of the construction and operation of the Bid Facility:

- Acceptable documentation includes signed contracts between applicable parties.

2. Hosting paid renewable energy education internships and programs with local school systems and NGOs/foundations:

- Acceptable documentation includes a letter of support from an appropriate officer/administrator of the school system, NGO, or foundation describing the purpose and goal of the internship(s) or program, detailing the number of

attendees or internships, length of internship or program, number of hours program was offered (dates and times), and the name and title of the program/internship lead.

3. Hosting occupation apprenticeships or training programs with community colleges, vocational schools, and NGOs/foundations:

- Acceptable documentation includes a partnership letter or letter of intent to work with a community college, vocational school, NGO, or foundation to utilize existing apprenticeship programs registered with New York State Department of Labor (DOL) or a proof of filing of an application for a Registered Apprenticeship with DOL.
- If for an apprenticeship or training program, proof of credits (Continuing Education Units or Professional Development Hours), certifications or degree programs; Memoranda of Understanding, contracts or agreements among training partners; Website documentation, enrollment documentation or a course directory.

4. Expenditures related to hosting environmental justice programs:

- Acceptable documentation includes a partnership letter from an NGO, foundation or local government describing the purpose and goal of the environmental justice program, the number of participants, length of the program, location of the program or program's activities, outcome of the program if it has concluded.
- If a non-profit organization was created to facilitate the program, proof of non-profit status in the form of a determination letter from the IRS.

5. Hosting proximate businesses or industries co-developed with the Bid Facility:

- Acceptable documentation includes a contractual agreement or business plan between the two (or more) businesses co-developing an enterprise at the Bid Facility.

6. Expenditures related to developing a Community Choice Aggregation (CCA) or power purchase agreement (PPA) with the host community of the Bid Facility:

- Acceptable documentation includes a letter of coordination and support from 1) a CCA administrator describing how the project will be integrated into the CCA supply mix and, if available, 2) the host community or municipality located in the region that has expressed interest in pursuing a CCA and/or PPA structure with the Proposer.

V. GUIDANCE FOR INDEPENDENT CPA; AGREED UPON PROCEDURES

This section sets forth the Agreed Upon Procedures that an Independent CPA must follow for inspecting a Seller's Economic Benefits Report.

Deadline for Submission

The Independent CPA is responsible for submitting the AUPR within one hundred twenty (120) days of the third-year anniversary of the commencement of the Contract Delivery Term. The AUPR must be **received by NYSERDA** on or before this date.

Organization of Report

The Independent CPA should organize its submission to NYSERDA as follows:

- AUPR
- Procedures and Findings
- Seller's original Economic Benefits Report

Use of Sampling Techniques

The Independent CPA will use the following guidance in selecting a sample of transactions:

To determine sample size for each Category, first determine Seller's total Compliance Claim. Then select sample size for each tranche of transactions within each Category, according to the following chart:

Seller's Total Compliance Claim	Sample Size		
	Tranche 1	Tranche 2	Tranche 3
	Transactions over \$10,000	Transactions \$1,001 - \$10,000	Transactions \$1 - \$1,000
\$1 million and under	All	50*	30*
	Transactions over \$20,000	Transactions \$2,501 - \$20,000	Transactions \$1 - \$2,500
\$1,000,001 - \$5,000,000	All	75*	30*
Over \$5 million	All	100*	30*

* The Independent CPA may either test the noted sample size or 70% of the Seller's Total Compliance claim for the respective tranche.

Applying General Procedures to Specific Circumstances

This document provides guidance and specific examples of the procedures to be performed in providing NYSERDA with assurances as to the accuracy and completeness of Seller's Economic Benefits Report to NYSERDA. Additionally, accounting systems and data structures of each of the Sellers will vary along with the types of internally available information and reports. Accordingly, the requirements described in Sections V and VI of this document are not intended to be all-inclusive, but rather represent the guidance to be applied in performing tests of the documentation trail associated with the information submitted to NYSERDA by Sellers. The Independent CPA may use judgment to execute the agreed-upon procedures engagement under each specific circumstance, such as an inspection of specified documents evidencing certain types of transactions or detailed attributes thereof; a comparison of documents,

schedules, or analyses with certain specified attributes; and the performance of mathematical computations.

General Notes on Performing the AUPR

- The AUPR must be produced by responding to each step in the Economic Benefits Agreed Upon Procedures that follow this section. When submitting the AUPR to NYSEDA, a scan of a printout is acceptable, as is a PDF generated with electronic signatures. Any scanned PDF must be optical character recognition (OCR) compatible.
- While performing the Agreed Upon Procedures, the Independent CPA may develop a list of questioned costs, including but not limited to benefit claims listed in the wrong benefit category, unsubstantiated or inaccurate dollar value claims, etc. The Seller may choose to remove any unsubstantiated claims from its report prior to submission of a final Economic Benefits Report to NYSEDA.
- NYSEDA may choose to provide a standardized reporting template for the CPA to use in completion of the AUPR and will submit this document to the CPA once the Seller provides NYSEDA with the name of its selection for an Independent CPA (see Section II, Step 1).
- If questions regarding the scope of testing arise, the Independent CPA should contact NYSEDA staff at res@nyserda.ny.gov for guidance, and for approval of any changes that may be necessary to address scope of testing issues.

Agreed Upon Procedures

The purpose of performing the agreed upon procedures is to ensure and confirm the information submitted by the Seller on the Economic Benefits Report is accurate and correct related to the following areas:

Category 1: Long-Term Economic Benefits to New York State

- Job/payment/transaction is related to the development, construction, and/or operation of the Bid Facility, and/or related to benefiting New York State Disadvantaged Communities.
- Payment/transaction was made during the time period between the RES RFP release date (*September 21, 2022*) and the third anniversary of the commencement of the Contract Delivery Term.
- The expenditure is valid, and proper amount is provided on the Economic Benefits Report Part 2.
- The expenditure is related to one of the following sub-categories:
 - a) Long-term New York State jobs created;
 - A job title was filled for 3+ years and/or an individual was employed for 3+ years.
 - Payment was to an employee who was a New York State resident.
 - b) Establishment of project office in New York State, including pre-development activities, leases/purchases, and related employment not claimed as jobs associated with operations and maintenance, plant management, long-term project development, or similar;

- c) New or increased local property tax payments to school districts, cities, towns, or other taxing jurisdictions;
- d) Payments in Lieu of Taxes (PILOT) agreements or other alternative taxing mechanisms and forms of compensation;
- e) Host community payments, mitigation/conservation payments, Host Community Benefit Program payments, or other funds that directly benefit the host community or a Disadvantaged Community through economic or workforce development for more than three years;
- f) Securing rights to or access to wind or solar resources for the Bid Facility (examples: purchase or lease of land in New York, royalties, production-based payments);
- g) Payments associated with the production of electricity, such as renewable fuel purchases;
- h) For land purchase payments:
 - a) Payment was for land necessary for securing rights to a Bid Facility site located in New York State.

Category 2: Short-Term Economic Benefits to New York State

- Job/Payment/transaction is related to the development, construction, and/or operation of the Bid Facility, and/or related to benefiting New York State Disadvantaged Communities.
- Payment/transaction was made during the time period between the RES RFP release date (*September 21, 2022*) and the third anniversary of the commencement of the Contract Delivery Term.
- The expenditure is valid, and proper amount is provided on the Economic Benefits Report Part 2.
- The expenditure is related to one of the following sub-categories:
 - a) For direct short-term employment hired by the Seller:
 - Payment was to an employee who was a New York State resident.
 - b) For short-term employment created by the Seller's use of New York State Firms for engineering, environmental, financial, legal or other services, or other consultants associated with the development and construction/modification of the Bid Facility:
 - Payment was to a New York State supplier/vendor/firm.
 - c) For purchases of materials sourced from within New York, or, the purchase and use of equipment and products manufactured or assembled within New York, or, the use of rental equipment or similar supplies sourced from within New York.
 - Payment was to a New York State supplier/vendor/firm.
 - d) For expenses related to ongoing operations & maintenance.
 - Payment was to a New York State supplier/vendor/firm.
 - e) For purchases and consumption of local goods and services.
 - Payment was to a New York State supplier/vendor/firm for local goods and services.
 - f) For funding that will directly benefit the host community or a Disadvantaged Community for less than three years, such as Seller-funded projects that will not be linked to the Bid Facility (e.g., a renewable energy career fair, sponsorship of a community event, etc.).
 - Payment was to a New York State supplier/vendor/firm or institution for local goods and services.

- g) For expenditures incurred by a General Contractor: Payments by the General Contractor for any of the categories above must meet the same attribute tests as outlined above. Where General Contractor uses in-house labor or equipment, subcontractors, or other suppliers/vendors, the following applies:
 - General Contractor located in New York State:
 - In-house labor – payment was to an employee who was a New York State resident.
 - In-house equipment use – records of equipment use are available; a principal of the company has provided a letter attesting to the expenses.
 - New York subcontractors utilized by the General Contractor:
 - Payment was to a New York State supplier/vendor/firm.
 - Where applicable, payment is substantiated by the subcontractor’s last Payment Application and final release waiver.
 - New York suppliers/vendors utilized by the General Contractor (not part of a subcontract agreement):
 - Payment was to a New York State supplier/vendor/firm.

Category 3: Local Economic and Workforce Development in New York State

- For expenditures related to entering into a project labor agreement, labor peace agreement, or other good-faith labor agreement as part of the construction and operation of the Bid Facility:
 - a) Payment was to a New York entity or business.
- For expenditures related to hosting renewable energy education internships and programs with local school systems and NGOs/foundations:
 - a) Payment was to a New York school district, local NGO or foundation in New York State. If for an internship, a corresponding letter of support from an appropriate officer/administrator of the school system, NGO, or foundation as described above was included.
- For expenditures related to hosting clean energy sector occupation apprenticeships or training programs in partnership with community colleges, vocational schools and NGOs/foundations:
 - a) Payment was to a New York community college, vocational school, local NGO or foundation in New York State.
- For expenditures related to hosting environmental justice programs in partnership with local communities and NGOs/foundations:
 - a) Payment was to a local government, NGO or foundation in New York State.
- For expenditures related to partnering with and/or hosting other on-site or proximate businesses or industries co-developed with the Bid Facility:
 - a) Payment was to a business in New York State.
- For expenditures related to establishing a Community Choice Aggregation (CCA) or bilateral power purchase agreement (PPA) with the facility’s host community and/or regional entities
 - a) Payment was to a host community, regional entity or municipality.

Economic Benefits to Disadvantaged Communities

- Disadvantaged Community Job/Payment/Transaction must fall within Economic Benefits to New York State eligible under Category 1, 2, or 3.

- Any Job/Payment/Transaction was made to an entity or individual located or residing in a Disadvantaged Community as defined under the interim Disadvantaged Communities criteria or the final Disadvantaged Communities criteria.

Economic Benefits to Minority and/or Women-Owned Businesses Enterprises and Economic Benefits to Service-Disabled Veteran-Owned Businesses

- MWBE or SDVOB payment falls within Economic Benefits to New York State eligible under Category 1, 2, or 3.
- The payment was made to a New York State certified MWBE or SDVOB.

Perform the following specific procedures for all claims associated with Category 1 Long Term Economic Benefits to New York State:

1. Inquire of the Seller whether each transaction listed in Category 1 on the Economic Benefits Report is related to the development, construction, and/or operation of the Bid Facility.
2. From the Seller's Economic Benefits Report, select an appropriate sample for detailed testing of underlying transactions in accordance with the sampling methodology noted in the provided sampling chart. Disclose the population as well as the sample size for each category in the AUPR.

Perform the following specific procedures for claims associated with Category 1

a) Payments related to long-term New York State jobs created:

1. Compare the expenditures claimed for each transaction selected to the Seller's payroll records (i.e., payroll journals, W-2 forms, benefits invoices) and determine:
 - a. The name of the employer/purchaser is the Seller.
 - b. The employee's address is located in New York State.
 - c. Expenditure amounts agree to the payroll records and/or other supporting documentation.
 - d. The payment was for services rendered during the time period between the RES RFP release date (*September 21, 2022*) and the third anniversary of the commencement of the Contract Delivery Term.
 - e. The job title was filled for 3+ years and/or the individual was employed for 3+ years.
 - f. Expenditure agrees to the Seller's financial records (payroll journal, general ledger, cancelled checks, etc.).
 - g. Expenditure is listed under the proper category.

Perform the following specific procedures for claims associated with Category 1

b) Payments related to new or increased local property tax payments to school districts, cities, towns, or other taxing jurisdictions;

c) Payments related to Payments in Lieu of Taxes (PILOT) agreements or other alternative taxing mechanisms and forms of compensation;

d) Payments related to Host community payments, Host Community Benefit Program, mitigation/conservation payments, or other funds that directly benefit the host community for more than three years;

1. Compare the expenditures claimed for each transaction selected to the Seller's supporting documentation (i.e., invoices, PILOT agreements, Host Community Agreements) and determine:

- a. Seller is named as the payor on the invoice and/or as party to the applicable agreement.
- b. Expenditure amounts agree to the supporting documentation.
- c. The payment was made during the time period between the RES RFP release date (*September 21, 2022*) and the third anniversary of the commencement of the Contract Delivery Term.
- d. Payment consists of new or increased local property tax revenues, or PILOT or other alternative taxing mechanisms and forms of compensation that directly benefit the host community for more than three years.
- e. Payment was made to a school district, city, town or other taxing jurisdiction in New York State, or to an entity that provides benefits to the host community. For Host Community Benefit Program payments, the payment is consistent with PSC Orders under [Case 20-E-0249](#), In the Matter of a Renewable Energy Facility Host Community Benefit Program (paid to the utility associated with the residential customer accounts in the host community in proportion to the Nameplate Capacity of the Bid Facility, \$500/MW for Solar and \$1,000/MW for Wind) by December 1 each year of operation.
- f. Expenditure agrees to the Seller's financial records (cash disbursements journal, general ledger, cancelled checks, etc.).
- g. Expenditure is listed under the proper category.

Perform the following specific procedures for claims associated with Category 1

- e) Payments related to resource access, such as land purchases or leases, royalties, or production-based payments in New York;**
- f) Payments associated with the production of electricity, such as renewable fuel purchases.**

1. Compare the expenditures claimed for each transaction selected to the Seller's supporting documentation (i.e., 1099s for landowners for each year, easements, lease agreements, fuel contracts, invoices) and determine:
 - a. Seller is named as the payor and/or as party to the applicable agreement.
 - b. Expenditure amounts agree to the supporting documentation.
 - c. The payment was made during the time period between the RES RFP release date (*September 21, 2022*) and the third anniversary of the commencement of the Contract Delivery Term.
 - d. Payment is associated with either securing rights to or access to solar or wind resources for the Bid Facility (i.e., royalties, production-based payments, land lease, land purchase, or land use payments for land located in NY) or directly acquiring eligible fuel for the Bid Facility .
 - e. Expenditure agrees to the Seller's financial records (general ledger, cancelled checks, etc.).
 - f. Expenditure is listed under the proper category.
 - g. Land purchase payments are pro-rated to reflect the eligible time period for Economic Benefits claims from the RES RFP release date (*September 21, 2022*) through the third anniversary of the commencement of the Contract Delivery Term. A 15% de-rating factor is to be applied to pro-rate land purchase payment totals. For avoidance of doubt, a land purchase payment of \$1,000,000 would be pro-rated to 15% of that value, or \$150,000.

Perform the following specific procedures for all claims associated with Category 2 Short-Term Economic Benefits to New York State:

1. Inquire of the Seller whether each transaction listed in Category 2 on the Economic Benefits Report is related to the development, construction, and/or operation of the Bid Facility.
2. From the Seller's Economic Benefits Report, select an appropriate sample for detailed testing of underlying transactions in accordance with the sampling methodology noted in the provided sampling chart. Disclose the population as well as the sample size for each category in the AUPR.
3. Compare the expenditures claimed for each transaction selected to the Seller's supporting documentation (i.e., payroll records, W-2s, invoices, 1099s, contracts and agreements) and determine:
 - a. Seller (or Seller's General Contractor) is named as the employer, payor on the invoice, and/or as party to the applicable agreement.
 - b. Expenditure amounts agree to the supporting documentation.
 - c. The payment was made during the time period between the RES RFP release date (*September 21, 2022*) and the third anniversary of the commencement of the Contract Delivery Term.
 - d. Payment is associated with goods, services, materials, operations and maintenance expenses, and/or short-term jobs.
 - e. The vendor is a New York State Firm, and/or expenditures for local goods and services were made by or on behalf of an employee, and/or the employee's address is in New York State.
 - f. Expenditure agrees to the Seller's financial records (cash disbursements journal, payroll journal, general ledger, cancelled checks, etc.).
 - g. Expenditure is listed under the proper category.
4. Inspect records supporting in-house equipment expenditures and obtain copy of letter provided by the Seller or General Contractor attesting to the accuracy of the expenditures reported for in-house equipment use.

Perform the following specific procedures for all claims associated with Category 3 Local Economic and Workforce Development Benefits to New York State:

1. Inquire of the Seller whether each transaction listed in Category 3 on the Economic Benefits Report is related to local economic and workforce development in New York State.
2. If applicable, from the Seller's Economic Benefits Report, select an appropriate sample for detailed testing of underlying transactions in accordance with the sampling methodology noted in the provided sampling chart. Disclose the population as well as the sample size for each category in the AUPR.
3. If applicable, compare the expenditures claimed for each transaction selected to the Seller's supporting documentation (i.e., payroll records, W-2s, invoices, 1099s, contracts and agreements) and determine:
 - a. Seller is named as the employer, payor on the invoice, and/or as party to the applicable agreement.
 - b. Expenditure amounts agree to the supporting documentation.

- c. The payment was made during the time period between the RES RFP release date (*September 21, 2022*) and the third anniversary of the commencement of the Contract Delivery Term.
- d. Payment is associated with:
 - developing or entering into a project labor agreement, labor peace agreement, or other good-faith labor agreement as part of the construction and operation of the Bid Facility; or,
 - developing or hosting internships and programs for students in renewable energy education; or,
 - developing or hosting energy sector occupational apprenticeships or training programs; or,
 - developing or hosting environmental justice programs; or,
 - partnering with and/or hosting other on-site or proximate businesses or industries co-developed with the Bid Facility; or, establishing a CCA or bilateral PPA with host communities and/or regional entities.
- e. The vendor or partner is a New York State Firm, and/or expenditures for local goods and services were made by or on behalf of an employee, and/or the employee's address is in New York State.
- f. Expenditure agrees to the Seller's financial records (cash disbursements journal, payroll journal, general ledger, cancelled checks, etc.)
- g. Expenditure is listed under the proper category.

Perform the following specific procedures for all claims in all categories marked as applicable to Disadvantaged Communities on the Seller's Economic Benefits Report:

1. Verify locations of each Disadvantaged Communities expenditure against the locations of interim criteria Disadvantaged Communities as defined at the time of the closure of RESRFP22-1 (April 12, 2023), as well as the locations of Disadvantaged Communities captured in the final Disadvantaged Communities criteria as defined at the time the AUPR is conducted. Do not apply the sampling technique in Section V when verifying Disadvantaged Communities expenditures from the Economic Benefits Report.
 - a. In order to verify Disadvantaged Communities expenditures against both the interim and final Disadvantaged Communities criteria, use
 - the interactive map of interim criteria Disadvantaged Communities located on the 2022 Solicitation webpage for RESRFP221-1, which can be navigated to from the Large-Scale Renewables Solicitations webpage: <https://www.nyserda.ny.gov/ces/rfp>; or,
 - the interactive map of final criteria Disadvantaged Communities located on the Large-Scale Renewables Solicitations webpage, located here: <https://www.nyserda.ny.gov/ces/rfp>;
2. Enter each address provided by the Seller for Disadvantaged Communities-applicable expenditures on the Economic Benefits Report into the search function of the applicable interactive maps in order to verify whether the address falls within a community defined as a Disadvantaged Community under the interim Disadvantaged Communities criteria, or whether the address falls within a community defined as a Disadvantaged Community under the final Disadvantaged Communities criteria. If the address of a Disadvantaged Communities-applicable expenditure falls within a community defined as a Disadvantaged Community under the interim Disadvantaged Communities criteria, but not the final Disadvantaged Communities criteria, mark the expenditure as "Interim

Criteria Disadvantaged Community”. If the address of a Disadvantaged Communities-applicable expenditure falls within a community defined as a Disadvantaged Community under the final Disadvantaged Communities criteria, mark the expenditure as “Final Criteria Disadvantaged Community,” regardless of whether it is also located within a community defined as a Disadvantaged Community under the interim Disadvantaged Communities criteria. These addresses are provided by the Seller in Attachment 2: Seller’s Incremental Economic Benefits Report Part 2 Template, or can be accessed by verifying the unique identifier provided in Attachment 2 against a 3rd party payroll report, W-2 information, or other identifying information provided by the seller detailing an employee’s address.

3. Itemize and report the total amount of expenditures that are verified through this method as being applicable to interim criteria Disadvantaged Communities or final criteria Disadvantaged Communities.

Perform the following specific procedures for all claims in all categories marked as applicable to MWBE or SDVOB on the Seller’s Economic Benefits Report:

1. Inquire of the Seller whether Seller has provided Independent CPA with all applicable MWBE and SDVOB certification documentation from MWBE or SDVOB enterprises claimed on Seller’s Economic Benefits Report.
2. For expenditures related to supplier/vendor/firm marked as MWBE on the Seller’s Economic Benefits Report:
 - a. Verify the Minority Business Enterprise (MBE) or Women Business Enterprise (WBE) certification against the NYS M/WBE Directory of Certified Firms using Business Name/DBA and other criteria provided on the certification documentation provided by Seller:
<https://ny.newnycontracts.com/FrontEnd/searchcertifieddirectory.asp>
3. For expenditures related to supplier/vendor/firm marked as SDVOB on the Seller’s Economic Benefits Report:
 - a. Verify the SDVOB certification against the Directory of New York State Certified Service-Disabled Veteran-Owned Businesses using the SDVOB Certification Number and other criteria provided on the certification documentation provided by Seller:
<https://online.ogs.ny.gov/SDVOB/search>
4. Itemize and report the total amount of expenditures that are verified through this method as being applicable to MWBE or SDVOB.

ATTACHMENT 1.

SELLER'S ECONOMIC BENEFITS CALCULATIONS AND SUMMARY TABLE FROM RFP

Sample Seller's Economic Benefits Calculations and Summary Table.xls (e.g., Attachment G – Bid Data Form, Economic Benefits tabs Part IV-1, Part IV-2, and Part IV-3). Proposers submitted a populated file to NYSERDA's solicitation, example provided for reference.



Attachment 1 - Bid
Data Form Economic I

ATTACHMENT 2.

SELLER'S INCREMENTAL ECONOMIC BENEFITS REPORT PART 2 TEMPLATE

The following Excel template should be used to report transactions for the Economic Benefits Report Part 2 submission. If Seller employs a General Contractor(s) during the reporting period, Seller may provide this template to the General Contractor for tracking and organization of General Contractor's project expenditures that qualify as Incremental Economic Benefits. Seller's and General Contractor's transactions should be consolidated to one spreadsheet for submission as Part 2 of the Economic Benefits Report.



Attachment 2. Seller's
Incremental Economic