

RESRFP21-1 Proposers' Webinar

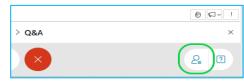
NYSERDA Large-Scale Renewables Team May 6, 2021



Participation for Members of the Public:

- > Members of the public are muted upon entry.
- > Questions and comments may be submitted in writing through the Q&A feature at any time during the event.
 - > Chat is disabled.
- > Today's materials will be posted to nyserda.ny.gov/ces/rfp
- > If technical problems arise, please contact Sal.Graven@nyserda.ny.gov

You'll see as your microphone is muted.





Agenda

- Welcome & Logistics
- Background & RFP Summary
- Bidding Structure & Evaluation
- Non-Price Components & Evaluation
- RES Standard Form Agreement
- NYGATS, Solicitation Website, Step One & Step Two Process
- Next Steps/Key Dates & Questions

With support from:

Abbey DeRocker, Program Manager, Large-Scale Renewables
Marci Brunner, Sr. Project Manager, Large-Scale Renewables
Adele Ferranti, Program Manager, Workforce Development and Training
Eric Walker, Project Manager, Energy Affordability and Equity
Peter Keane, Deputy Counsel



President's Remarks

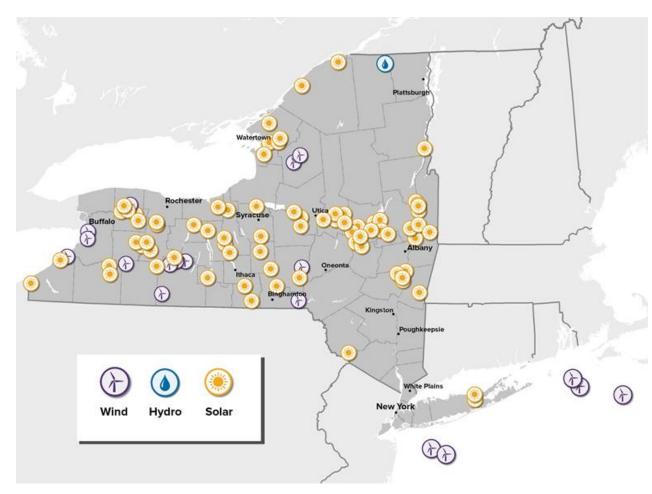


Background

Large-Scale Renewables in New York State



Nation-Leading Renewable Ramp-Up



All contracted project information available via Open NY

Since 2018,

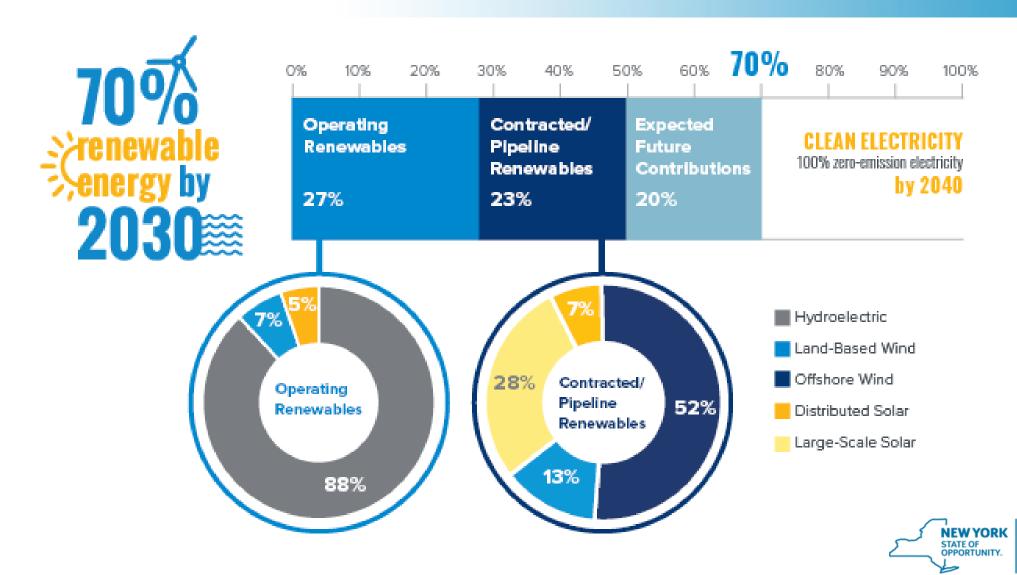
Over 90 projects 10,800+ MW

Includes recently announced awards for 2 new offshore wind projects and 22 large-scale solar, hydroelectric, and energy storage projects across upstate New York, totaling over 4,600 MW of new renewable capacity and 30 MW of energy storage capacity



NYSERDA

Progress to 70% Renewable by 2030



Climate Leadership and Community Protection Act

New York's Nation-Leading Climate Targets

85% Reduction in GHG Emissions by 2050

100% Zero-emission Electricity by 2040

70% Renewable Energy by 2030

9,000 MW of Offshore Wind by 2035

3,000 MW of Energy Storage by 2030

6,000 MW of Solar by 2025

22 Million Tons of Carbon Reduction through Energy Efficiency and Electrification



For Immediate Release: 10/15/2020

GOVERNOR ANDREW M. CUOMO

GOVERNOR CUOMO ANNOUNCES PSC APPROVAL OF EXPANDED CLEAN ENERGY STANDARD TO DECARBONIZE NEW YORK'S POWER SECTOR AND COMBAT CLIMATE CHANGE

PSC Action Further Advances New York's Comprehensive Strategy to Secure 70
Percent of the State's Electricity from Renewable Sources by 2030 While Creating
Thousands of Clean Energy Jobs

Expansion Promotes Environmental Justice, Ensures Energy Affordability, Reduces Carbon Emissions to Combat Climate Change and Jumpstarts the Reopening of New York's Economy



Accelerated Renewable Energy Growth and Community Benefit Act



ores.ny.gov 20-E-0249 20-E-0197

Office of Renewable Energy Siting (ORES)

 ORES standard regulations for all major renewable energy facilities effective March 2021.

Host Community Benefit Program

• Utility bill credit funding requirements adopted by the PSC February 2021.

Initial Report on the Power Grid Study

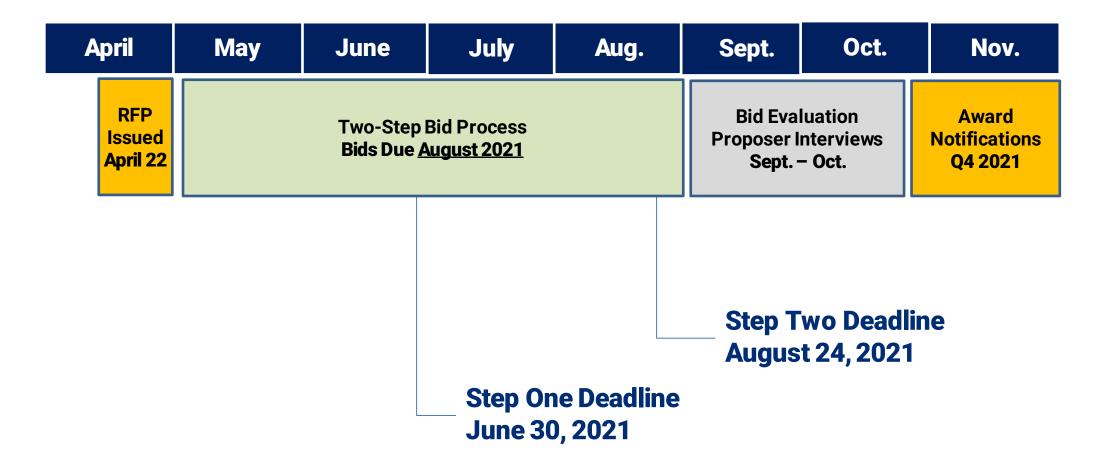
- Initial Report on the Power Grid Study published Jan. 2021
- Phase 1 transmission projects approved by the PSC.



Solicitation Summary & Schedule



RESRFP21-1 Schedule





RESRFP21-1 Multi-Step Process

Step One Eligibility Application	Step Two Bid Proposal	
Due Date: Wednesday, June 30 by 3:00 p.m.	Due Date: Thursday, August 26 by 3:00 p.m.	
 Tier 1 eligibility certification (PSoQ or SoQ), obtained via NYGATS. Key Proposer and Bid Facility characteristics (location, capacity, energy storage, etc.). Overview of how Bid Facility will meet all eligibility requirements by Step Two Bid Proposal deadline. 	 Expanded project characteristics and details, interconnection and environmental mitigation cost estimates. Binding Bid Price and Bid Quantity data. Minimum Threshold Requirements documentation (Site Control, Interconnection, etc.) Expected benefits and burdens to disadvantaged communities. Permitting Plan Community Engagement Plan Operational Flexibility and Peak Coincidence documentation (P(50) 8760, energy storage details, etc.). If applicable, Incremental Economic Benefits claims, including identification of specific claims that will benefit disadvantaged communities. Proof of Bid Fee payment 	



RESRFP21-1 New & Notable Items

CES Modifications

 Order Adopting Modifications to the CES, approved October 2020, identified multiple changes to the Tier 1 solicitations.

Tier 1 Resource Eligibility

Eligibility aligned with the CLCPA definition of a renewable energy system. Removal of biogas/biomass technologies, modified requirements for fuel cell and repowering facilities

Commercial Operation Milestone Date

 All facilities must enter operation by November 30, 2023, with options to extend this date to November 30, 2026.

Economic Benefits and Disadvantaged Communities

- New category of eligible commitments available for Proposers to account for economic and workforce development activities.
- Strong preference for benefits directed to Disadvantaged Communities across all commitments/claims.

Updated Minimum Thresholds

 Proposers should ensure that Bid Facilities can meet all minimum thresholds.



RESRFP21-1 New & Notable Items

Non-Viable Determinations & Portfolio Risk Factors

- Non-viability determinations may be issued for Proposers that do not meet all minimum thresholds and/or do not substantiate key price or non-price components of their Bid Proposal.
- New Portfolio Risk Factors to allow the final award group to account for demonstrable, material benefits to award group.

Project Development Cost Estimates

 Proposers will be required to provide interconnection and environmental mitigation cost estimates as part of submitted Bid Proposals.

Accelerated Renewables Act Updates

- Office of Renewable Energy Siting (ORES) regulations adopted March 2021.
- Host Community Benefit Program approved February 2020.
- Initial Report on the Power Grid Study published Jan. 2021, Phase 1 projects approved by the PSC.

Future NYS Large-Scale Renewables Policy

• FY2022 NYS budget impacts regarding the development of large-scale renewables, applicable to future LSR RFPs.

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Bid Price Structure & Evaluation



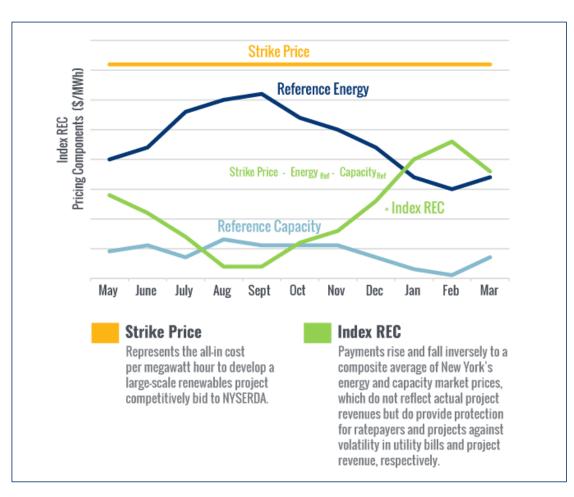
Fixed and Index REC Price Structures

Fixed REC

- Fixed price paid for each MWh generated and delivered for end use in NYS.
- Optionality for Fixed or Index Renewable Energy Certificate (REC).

Index REC

- REC payments rise and fall inversely to energy and capacity revenues.
- Fixed REC Price or Index REC Strike Price will be uniform for the full contract tenor.
- Calculation of Monthly Reference Prices (Energy & Capacity) will reflect the facility's point of interconnection/delivery.





Index REC Settlement

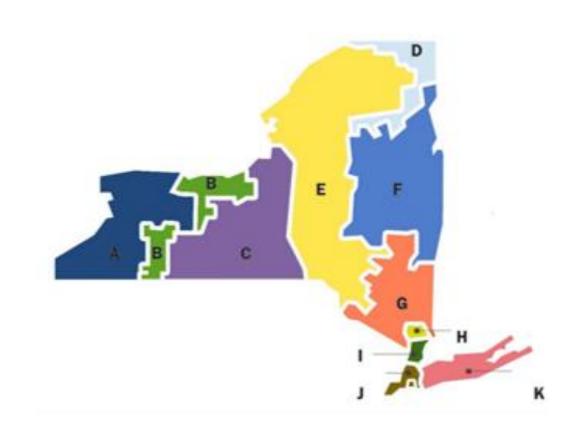
Index REC Payment Structure

- Index REC Strike Price: Proposer chooses one Strike Price for the contract tenor.
- Reference Energy Price: Calculated monthly based on the average hourly day-ahead Locational Based Marginal Pricing (LBMP) for the Bid Facility's NYISO Zone.
- Reference Capacity Price: Calculated monthly based on the Seller-selected seasonal UCAP factor, fixed for the contract tenor, multiplied by the MWh equivalent of the monthly ICAP spot market auction price for the Bid Facility's NYISO Zone.
- Monthly REC Price: Difference of Strike Price and sum of Reference Energy Price and Reference
 Capacity Price for each month, paid for each MWh produced by the Bid Facility in the subject month.



Fixed & Index REC Evaluation

- Fixed REC and Index REC will be converted to a Levelized Net REC Cost (LNRC), evaluated over the contract tenor.
- Index REC strike prices will be converted to LNRCs with NYISO Zone-specific energy and capacity forecasts based on the facility's submitted UCAP Production Factors and 8760 production profile.
- Lowest LNRC will receive the maximum points available for the Bid Price component (70 points), higher LNRCs will receive lower scores (less than 70 points)



Non-Price Components & Evaluation

Project Viability and Operational Flexibility Economic Benefits and Disadvanatged Communities



- Previously 10% each, combined per the 2020 CES Order to comprise 20% of bid evaluation.
- Project Viability & OpFlex Subcategories:
 - Site Control
 - Interconnection
 - Energy Deliverability
 - Peak Coincidence
 - Permitting
 - Project Development & Financing
 - Resource Assessment/Energy Prod. Estimate
 - Community Engagement
 - Resources available at <u>nyserda.ny.gov/ces/rfp</u>, including the <u>Solar Guidebook</u> and <u>Wind Energy Guidebook</u> for local governments.
 - Host community questions can be directed to <u>cleanenergyhelp@nyserda.ny.gov</u>.
 - Embodied Carbon

All Minimum Threshold Requirements must be met to be evaluated for an award.



Updated Minimum Thresholds for interconnection and permitting due diligence.

- For Article 10 and ORES facilities:
 - Wildlife Site Characterization Report
 - Draft Desktop Wetlands and Water Resources Delineation
 - Phase 1A Archaeological Desktop Survey
- For SEQR facilities:
 - Draft or submitted Full Environmental Assessment Form (FEAF).
- For all Bid Facilities:
 - Cost estimates for the expected interconnection and environmental mitigation costs (if applicable) for the development and construction of the Bid Facility.
 - A description of any impacts that the development, construction and operation of the Bid Facility may
 have on disadvantaged communities.

Pre-bid consultation with NYS DEC and/or ORES is strongly encouraged.

Environmental and Agricultural Mitigation for Solar Facilities

- Permitting Plans should address all aspects identified in Appendix 2, including how the Proposer plans to meet any specific requirements identified by the permitting entity.
 - Mitigation hierarchy of impacts should be employed to assess site impacts and potential alternatives/mitigation.
- Agricultural Mitigation Payment requirements based on soil impacts, with potential mechanisms to offset mitigation payments.
 - Agricultural Technical Working Group (A-TWG)

Agricultural and permitting resources available at: nyserda.ny.gov/ces/rfp





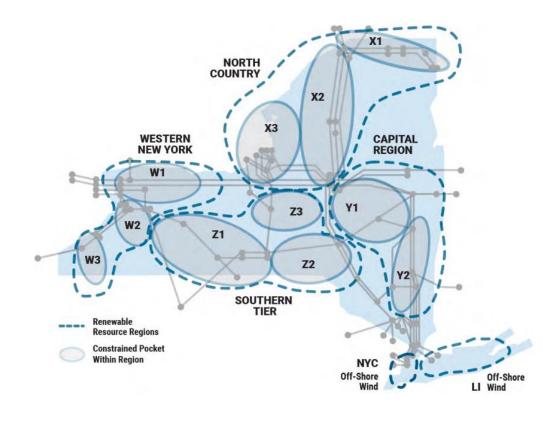
Operational Flexibility and Peak Coincidence (OpFlex)

Energy Deliverability and Peak Coincidence

- Evaluation based on expected energy deliverability potential and compatibility with today's grid and a 70% renewable 2030 grid, with the intent of minimizing curtailment on the state's renewable portfolio.
- Evaluation based on facilities' generation profile and the benefits to the existing and under development renewable generation in New York State.

Energy Storage

 Evaluation based on the price premium associated with the addition of energy storage, the size of the energy storage facility, and its relationship with the paired generator.





Category	Threshold	Documentation
Site Control	50% generator site control Full control of POI	Site Map Project Site Parcel Detail
Interconnection	SIS/SRIS (or equiv.) commenced	Grid Operator/Utility Evidence
Energy Deliverability Peak Coincidence	Required interconnection data 20-year hourly generation profile	P(50) 8760 Profile
Permitting	Permitting Plan consistent with Appendix 2 Jurisdictional-specific studies completed	Permitting Plan Jurisdictional-specific studies
Project Development & Financing	One RE project developed and financed Project Schedule and Financing Plan	Financing Plan Development/Financing experience
Resource Assessment & Energy Production Estimate (RA/EPE)	Resource Assessment & Energy Production Estimate consistent with Appendix 1	RA/EPE Report
Community Engagement	Outreach with host communities Community Engagement Plan	Community Engagement Plan
Embodied Carbon	Description of embodied carbon/ Life Cycle carbon footprint	

Energy Storage

- Benefits to the grid may also be demonstrated as part of the Bid Proposal for evaluation.
- Energy storage facilities located in NYISO Zones J and K will be given the greatest weighting in evaluation due to the disproportionate presence of existing generators in disadvantaged communities in these regions.





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Economic Benefits and Disadvantaged Communities

Incremental Economic Benefits to New York

- Long-term Economic Benefits, Short-term Economic Benefits
- New: Investments/Commitments to Local Economic and Workforce Development



Port of Albany: Marmen/Welcon Tower Factory



Port of Coeymans: Gravity-Based Foundation Manufacturing



South Brooklyn Marine Terminal: Staging & Assembly Operations & Maintenance (O&M)



Port Jefferson/East Setauket: Operations & Maintenance (O&M)



SUNY Stony Brook & Farmingdale: Suffolk County: S2OM Offshore Wind Training Institute (OWTI) S1OM National Offsho



Suffolk County: S10M National Offshore Wind Training Center (Ørsted & Suffolk County Community College)

- Claims are <u>eligible as of the RFP Launch Date</u>.
- Economic Benefit claims will be included in the Agreement to fulfill through Y3, to be verified by independent CPA.
 - Economic Benefits for entire Contract Tenor will still be requested with the Step Two Bid Proposal.
- Contact <u>Cleantech@esd.ny.gov</u> re: how Empire State Development may be able to assist with economic development opportunities.
- New: Agreement Section 6.10 Specific Disadvantaged Community Commitments

Economic Benefits and Disadvantaged Communities

Disadvantaged Communities

- All Proposers will be required to identify impacts, including benefits and burdens, on proximate disadvantaged communities (DACs).
- Any economic benefits that can be demonstrated to benefit DACs will be given a materially stronger preference in evaluation. Proposers are encouraged to explore benefits that can be achieved in each of the economic benefits categories.
 - Hiring of residents for short- and long-term jobs, including development, construction, and operations & maintenance.
 - Long-term payments, including PILOTs, utility bill credits, host community agreements, and other commitments.
 - Investments in local economic and workforce development, including targeted environmental justice programs, local scholarships, apprenticeship programs, and community-oriented projects.
- Longer-term commitments with tangible benefits will receive preferential evaluation.
- Resources available from <u>NYSERDA</u> and the <u>Climate Action Council</u> to support Proposers' development of economic benefits targeted for DACs.
 - Questions regarding the applicability of economic benefits to DACs should be addressed to <u>res@nyserda.ny.gov</u> or submitted via the solicitation website.
 - Mapping resources available at: nyserda.ny.gov/ny/disadvantaged-communities



Economic Benefits and Disadvantaged Communities

Workforce Development Commitments

Proposers are strongly encouraged to coordinate with state or local organizations, including trade organizations, to explore the feasibility of partnering with local communities to employ residents for short- and long-term roles.

- NYSERDA On-the-Job Training (OJT) program for clean technology businesses seeking to recruit new hires.
 - Browse <u>examples of previously supported training projects</u>, including multiple partnerships that have trained workers from disadvantaged communities to prepare the clean energy workforce.
 - For questions, contact <u>PONOJT@nyserda.ny.gov</u>.
- Energy Efficiency and Clean Technology Training program is available to contractors seeking to provide targeted training and workforce development resources.
 - For questions, contact <u>wfinfo@nyserda.ny.gov</u>.
- NYSERDA Internship & Pre-Apprenticeship Program
- <u>DOL Apprenticeship Program</u>
 - For questions, contact the appropriate local apprenticeship representative or contact <u>ATCO@labor.ny.gov</u>
- <u>DOL Career Center Events & Recruitment program</u> supports regularly scheduled job fairs where employers can actively source workforce participants from disadvantaged communities.



Post-Evaluation and Final Award Group

Portfolio Risk Factors

- May be employed by NYSERDA and DPS to account for material benefits identified to the final award group.
 - A decrease in a heavy concentration of renewable generation in a location;
 - A decrease in a heavy concentration of any one technology comprising the award group;
 - A portfolio that results in lower estimated levels of physical curtailment or includes projects/project configurations with mitigation factors to address curtailment; and/or
 - A portfolio that results in lower estimated levels of upgrade costs and/or firmer upgrade costs estimates, and/or projects with lesser estimated transmission impacts on the existing portfolio of contracted renewable projects.

Coordination with Other Competitive Offers

 NYSERDA will coordinate with any other competitive offers with overlapping eligibility with RESRFP21-1, including T4RFP21-1, to ensure that all eligibility is accounted for prior to the commencement of an award notification.



Tier 4 Coordination

- Bid Facilities participating in the active Tier 4 solicitation (T4RFP21-1) are permitted to participate and if eligible bid under RESRFP21-1.
 - Any facility seeking to sell Tier 1 RECs to NYSERDA must independently secure a Tier 1 Agreement under a Tier 1 solicitation.
- Any incremental economic benefit claims that are claimed under a Tier 4 bid proposal may also be included with a Tier 1 bid proposal, subject to Tier 1 economic benefits eligibility requirements.
- If awarded under T4RFP21-1 and a future Tier 1 solicitation, NYSERDA will work with the Proposer at the time of contracting to include appropriately flexible terms to allow for sales as either Tier 1 or Tier 4 RECs.



RES Standard Form Agreement

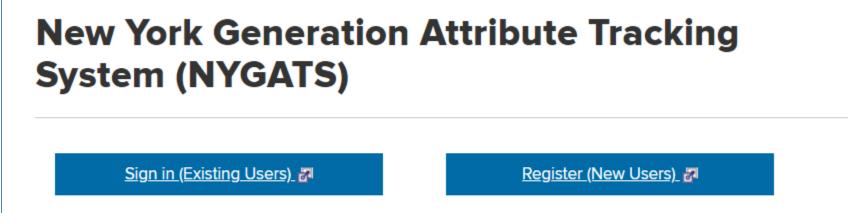
- Definitions
 - Index REC inputs, Reference Energy & Capacity Price
- Article IV Pricing and Payment
 - Index Calculation
 - NYISO Capacity Market and Mitigation Factor
 - Fixed REC Carbon Price Adjustment, per the Order Modifying Tier 1 Procurements
- Article VI Records, Reports and Other Seller Commitments
 - Specific Disadvantaged Community Commitments
- Article XVIII
 - Prevailing Wage
 - Collective Bargaining
- Exhibit H Preliminary Facility Area overlaid on MSG 1-4
- Post-Award Contracting Process and Contract Security



Registering in NYGATS Tier 1 Eligibility



Registering in NYGATS



NYGATS is an online certificate-tracking system that records information about electricity generated, imported, and consumed within New York State.

https://nygats.ny.gov/

All NYGATS Tier 1 eligibility requests/updates must be submitted by June 16, 2021



Registering in NYGATS

- Step One: Register a NYGATS Account
 - If you already have a NYGATS account then simply log in through your existing Account.
- Step Two: Create the new Provisional Project
 - Please be sure to select Register New Provisional Project.
 - . Enter required project information and then Submit the Provisional Project.
- Step Three: Apply for a Provisional Statement of Qualification or a Statement of Qualification



Registering in NYGATS

- Other reference/training materials available at NYSERDA's NYGATS webpage: <u>nyserda.ny.gov/All-Programs/Programs/NYGATS</u>
 - NYGATS Account Registration
 - Registering Operational and Provisional Projects in NYGATS
 - Applying for Tier 1 Certification for Operational and Provisional Projects in NYGATS
- Questions with registering/applying for Tier 1 certification should be directed to <u>res@nyserda.ny.gov</u>.



Solicitation Website Step One & Step Two Instructions



Step One- Solicitation Website Registration



New York State Energy Research and Development Authority (NYSERDA)

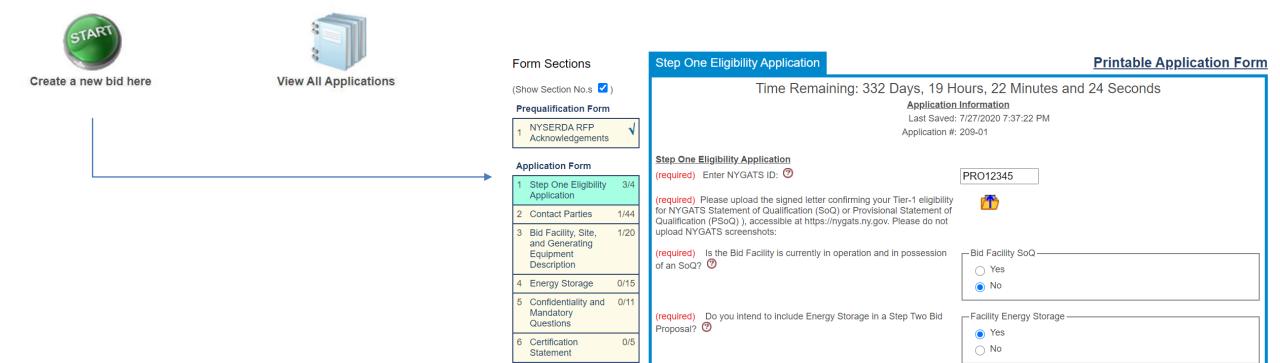
Renewable Energy Standard

Purchase of New York Tier 1 Eligible Renewable Energy Certificates

REQUEST FOR PROPOSALS (RFP) No. RESRFP21-1 ("RESRFP21-1")



Step One- Eligibility Application Management

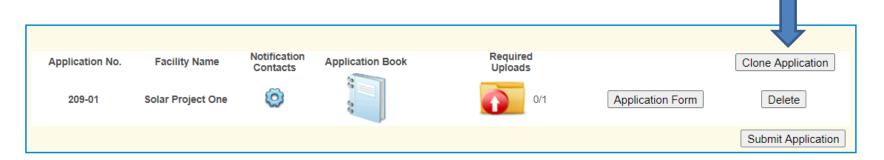




Step One- Eligibility Application Management

For Proposers including Energy Storage:

- Complete two separate Step One Eligibility Applications, one with and one without Energy Storage
- Clone feature on the solicitation website may be used to make a copy of the Application without Energy Storage as a starting point for the Application with Energy Storage.





NYSERDA Notice of Qualification

Notice of Qualification will include:

- Determination of eligibility to submit a bid
 - NYSERDA will attempt to cure any preliminary Ineligible determinations with Proposers.
- Maximum Contract Tenor
- Other Bid Quantity Inputs
 - Tier 1 Percentage (Upgrades)
- Instructions on submitting a Step Two Bid Proposal
- Step Two required forms and minimum threshold requirement clarifications if applicable.



Step Two- Bid Proposal Management and Submission



 All new fields will be contained in new sections unlocked for eligible facilities participating in Step Two



Next Steps & Key Dates



Solicitation Key Dates

Date	Event
April 22, 2021	Solicitation Launch
June 16, 2021	NYGATS Registration Requests deadline to be eligible to apply
June 30, 2021	Deadline - Step One Eligibility Application
July 16, 2021	NYSERDA responds with Notice of Qualification to Bid
August 26, 2021	Deadline - Step Two Bid Proposal All Bid Proposal Documents, Price and Non-Price Components
October 2021	NYSERDA reserves right to schedule Proposer Interviews
Q4 2021	NYSERDA notifies awarded Proposers



Questions

Please send requests/inquiries to the email below and via the Q&A and Messages features of the solicitation website once active.

Proposers and non-Proposers may send questions to res@nyserda.ny.gov.

All RFP information available at nyserda.ny.gov/ces/rfp

