



Build-Ready Market Advisory Group

February 2023



NYSERDA

Agenda

- **Welcome & Introductions**, *Gillian Black, Build-Ready Program Director, NYSERDA*
- **MAG Purpose, Timing & Operations**, *Sara Wilmer, Principal, Levitan & Associates*
- **Build-Ready Program Background, Build-Ready RFI & Results, and BR Auction Update**, *Emily Chessin, Build-Ready Program Manager, NYSERDA*
- **Question Set Discussion**, *Sara Wilmer, Levitan & Associates*
- **Next Steps**, *Sara Wilmer, Levitan & Associates*

Market Advisory Group (MAG)

PUROPOSE

- > Opportunity for NYSERDA to present information and collect feedback
- > Opportunity for MAG participants to ask questions and clarify information during and after meeting via email

TIMING

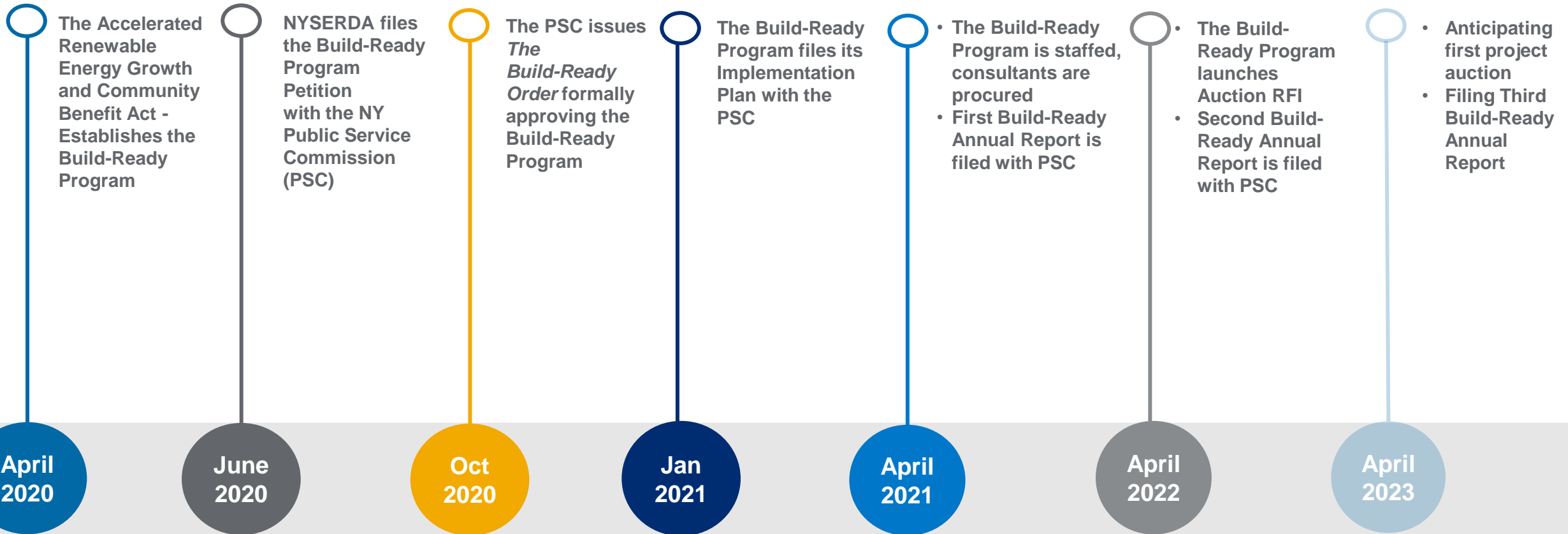
- > MAG is now open and will close prior to issuing first BR solicitation
- > MAG will re-open for future projects or program design elements after first solicitation process concludes

OPERATIONS

- > NYSERDA will not answer questions today and will provide written answers to questions following the meeting
- > NYSERDA will post MAG PPT presentation and anonymized meeting summary on Build-Ready webpage
- > Raise webex hand icon to ask question or enter question into chat and will be called on by facilitator

Build-Ready Program Milestones

Delivering Community Benefits by Turning Difficult Sites into “Build-Ready” Renewable Energy Projects to be Competitively Auctioned and Transferred to the Private Sector for Final Development, Construction, & Operation



Build-Ready Request for Information & Results

The Build-Ready Program issued an RFI to gather feedback from solar PV developers, owners, operators, and investors to:

1. Better understand the most attractive time in the development process to auction a Build-Ready project.
2. Foster significant interest from the private sector that results in competitive auctions and successful construction and operation of Build-Ready projects.
3. Solicit interest in a voluntary Market Advisory Group (MAG) that the Build-Ready Program can engage from time to time to gather feedback.

The Build-Ready Program received 13 responses and recently posted a responsiveness summary summarizing the key take-aways from the RFI

Build-Ready Request for Information & Results

- > **INTERCONNECTION:** Intend to progress projects as far along as possible in the interconnection process while leaving the negotiation and execution of interconnection agreements to the selected developer to be completed post-auction.
 - BENSON MINES: Intends to complete the SIS process for the BR Benson Mines Solar Project prior to auction.
- > **REC AGREEMENT:**
 - Intend to offer REC agreements with each Build-Ready site, allowing bidders to choose either an index or fixed price structure.
 - Considering **an inflation adjustment** similar to the Tier 1 mechanism.
 - Considering **an interconnection cost adjustment mechanism** for REC price post-auction, similar to 2022 Offshore Wind mechanism, to account for potential change in interconnection cost relative to the SIS estimate
- > **SITE CONTROL:** Intend to advance site control for Build-Ready sites through Lease Option Agreements with a standard 4-year option period and a 20-year lease term with options to extend out to 40+ years.
- > **PERMITTING:** Intend to secure as many permits as possible prior to taking projects to auction.

Build-Ready Request for Information & Results

- > **DESIGN:** Intend to complete preliminary designs in a manner that will minimize grading and other project costs, include appropriate setbacks from wetlands and roads, and maximize project capacity.
- > **PILOT AGREEMENT:** Intend on negotiating PILOT agreements, and executing PILOT agreement options, when possible, to minimize the risk and variability this factor presents for bidders.
- > **HOST COMMUNITY BENEFIT AGREEMENT:** Intend on negotiating Host Community Benefits Agreements, when possible, to minimize the risk and variability this factor presents for bidders.
- > **AUCTION PROCESS:** Intend to adhere to the auction process format as set forth in the RFI and program documents.
 - Plan to include a list of real property, interconnection, and environmental and permitting documents in the data room for developers bidding on Build-Ready projects
- > **OTHER FEEDBACK:** Intend to incorporate energy storage into project design/development, where possible, moving forward.

Build-Ready RFP/Auction Overview

1. **Preparing a Project for Auction – Request for Information (RFI):** Share project(s) information and gather feedback
2. **Competitive Auction – Request for Proposal (RFP):** Seeking proposers to provide the full suite of development, finance, own, and operate services for a project. Teaming or joint-venturing is permitted to provide the full suite of services. Two-step process:
 - **Step One - Qualifications:** Prospective proposers must provide evidence they meet minimum qualifications
 - **Step Two Bid Proposal:** A competitive bid proposal that NYSERDA will examine and evaluate based on non-price and price factors
3. **Award**
4. **Project Transfer**
5. **Post-Transfer Project Monitoring and Reporting**

Build-Ready RFP/Auction: BR Benson Mines Solar Project

Project Size: 20MW AC

Location: Town of Clifton, St. Lawrence County

Project Holding Company: BR Project 1, LLC

Site Control: Secured, Lease Option Agreement

Build-Ready Site Type: Former mine, State Superfund

Proposed Interconnection: National Grid Newton Falls – Browns Falls 34.5 kV line, NYISO SGIP

Permitting and Approvals: APA Solar Generation Facility Permit, Town of Clifton Site Plan Approval, St. Lawrence County Planning Board Referral

Payment-in-lieu-of-taxes (PILOT): PILOT Option w/St. Lawrence County IDA



BR Benson Mines – #Q1166 Development Schedule

Development Activity	Timeline
Completed Milestones	
NYSERDA - Landowner Outreach	November 2020 ✓
NYSERDA - Preliminary Engineering, Environmental and Title Diligence	November 2020 to April 2021 ✓
BR Project 1 LLC – Execute LOA with Benson Mines Inc	April 2021 ✓
BR Project 1 LLC – Submit NYISO Small Generator Application	May 2021 ✓
BR Project 1 LLC – Complete Assessments, Site Design, Host Community Engagement	June 2021 to November 2022 ✓
BR Project 1 LLC – Obtain major siting permits and approvals	March 2022 – November 2022 ✓
NYSERDA – Preparing project for auction – Request for Information	June 2022 ✓
Future Milestones	
BR Project 1, LLC – PILOT Option	Expected Q2 2023
BR Project 1, LLC - NYISO SIS Final Report	Expected Q2 2023
NYSERDA – Auction – RFP, Award & Transfer Process for BR Project I LLC	Q2 2023 to Q1 2024

Question Set Discussion

- > RFP Process
 - Solicitation schedule
 - Duration for Proposals to be held binding
 - Bid Fee
- > Bid Price and Evaluation
 - Economic Benefits priorities
 - Inflation Adjustment mechanism
 - Interconnection Cost Adjustment mechanism
 - Provision of known and estimated project costs
 - Provision of other project information

Question Set Discussion

> RFP Requirements

- SEIA Forced Labor Prevention Pledge
- U.S. Iron and Steel
- Financial security demonstration
- Restrictions on SF6 usage in transformers
- Recycling plans and embodied carbon
- Repowering plans

> Other Considerations

- Project area definition
- Additional comments

MAG Next Steps

- > NYSERDA will post MAG PPT presentation and anonymized meeting summary on Build-Ready webpage
- > NYSERDA may re-engage on another set of questions or meeting prior to issuing solicitation
- > Submit additional questions, responses or other information to be held anonymous to build-readyauction@levitan.com no later than March 3, 2023.