

RESRFP17-1 Proposers' Webinar

Agenda

- Background
- RESRFP17-1 Timeline and Milestone Dates
- Eligibility
- Renewable Energy Standard RFP17-1 Overview
- Q & A



Background



NY State Energy Plan - 2030 Clean Energy Goals

40%

Reduction

in GHG emissions from 1990 levels

Reducing greenhouse gas (GHG) emissions from the energy sector—power generation, industry, buildings, and transportation—is critical to protecting the health and welfare of New Yorkers and reaching the longer term goal of decreasing total carbon emissions 80% by 2050.

50%

Generation

of electricity from renewable energy sources

Renewable resources, including solar, wind, hydropower, and biomass, will play a vital role in reducing electricity price volatility and curbing carbon emissions.

23%

Decrease

in energy consumption in buildings from 2012 levels

Energy efficiency results in lower energy bills and is the single most cost-effective tool in achieving New York's greenhouse gas reduction objectives. A 23% decrease from 2012 levels is equivalent to 600 trillion British thermal units (Btu) of energy efficiency gains.



Governor Cuomo Announces Major Climate and Jobs Initiative - www.governor.ny.gov





Renewable Energy Standard Targets

- August 1, 2016 Order Adopting a Clean Energy Standard
 - set Anticipated and Minimum Procurement Targets

2017 Anticipated	2017 Minimum	RESRFP17-1
Procurement	Procurement	Procurement
Target	Target	Target
1,442,596 MWh	1,298,336 MWh	1,500,000 MWh

- Subsequent Clean Energy Standard Orders:
 - November 17, 2016
 - December 15, 2016
 - February 22, 2017
 - March 9, 2017
 - Addressed other aspects impacting the RES Procurement Process



Phase 1 Implementation Plan

- February 22, 2017 PSC Order and associated March 24, 2017 Final Phase 1 Implementation Plan established RES Procurement Process and Evaluation Methodology
- RES Procurements utilize:
 - Step One Minimum Threshold Eligibility Application
 - Step Two Bid Proposal
- February Order established Solicitation Evaluation Methodology
 - 70% Bid Price
 - 10% Economic Benefits
 - 10% Project Viability
 - 10% Operational Flexibility and Peak Coincidence





NY State RPS vs. RES

	Renewable Portfolio Standard	Renewable Energy Standard
Procurement size	 Budget-driven Target of 9.5 million Main Tier RECs over 2005-2015, 10th solicitation ~356,000 MWh 	 Volumetrically driven Typical procurement up to 5 times the size of previous RPS procurements
Eligibility	Main Tier -Biogas/Biomass, Fuel Cells, Hydroelectric, Solar, Tidal/Ocean, and Wind	 Same as RPS plus imports, relocated and returned to service facilities, and no size limit on run of river hydro Sellers need Tier 1 Certification to participate in NYSERDA procurements
Evaluation	 2 Categories for Evaluation: Bid Price = 70% Economic Benefits = 30% 	 4 Categories for Evaluation Bid Price = 70% Economic Benefits = 10% Project Viability = 10% Operational Flexibility & Peak Coincidence = 10%
Compliance	Central procurement by NYSERDA only	LSEs may procure RECs from NYSERDA, independently or submit ACP
Contracting	Two standard contractsfuelnon-fuel	 One modular standard contract NYGATS & NYGATS Operating Rules

NYSERDA Procurement RESRFP17-1

- 1.5 Million Renewable Energy Credits (REC only)
- New York RES Tier 1 Eligible
- Commercial Operation Date on or after January 1, 2015
- Delivery requirement
- Up to a 20 year term (Useful Life dependent)
- Commercial Operation Milestone Date (COMD): November 30, 2019 unless extended; extension available to November 30, 2021



RESRFP17-1 Process Overview

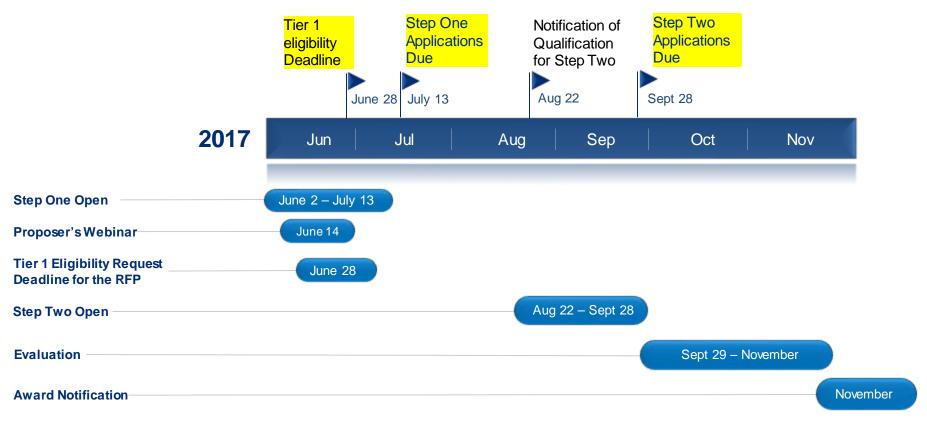
- Tier 1 Certification
- Step One Threshold Eligibility Application
 - Documentation of Project Maturity/Developer Experience
 - Demonstration of Tier 1 Certification (NYGATS ID)
 - Bid Deposit
- Notification of Qualification for Step Two
- Step Two Bid Proposal
 - Bid Quantity and Bid Price
 - Economic Benefits, Project Viability, Operational Flexibility
 - Additional Documentation
- Awards



NYSERDA's RESRFP17-1 Timeline and Milestone Dates



2017 RES Procurement Timeline

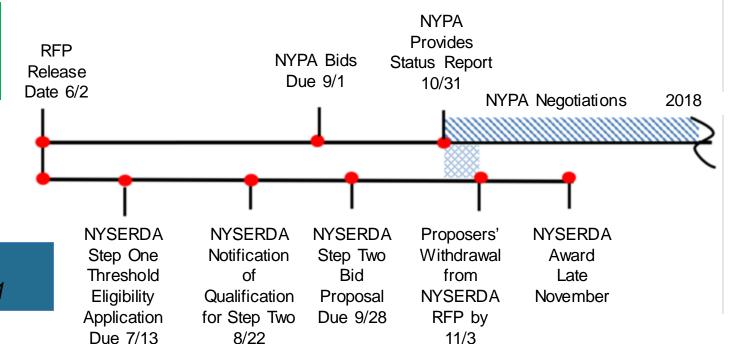




NYSERDA and NYPA Simultaneous RFPs



NYPA: RFQ Q17 -6164MH.



NYSERDA: RESRFP17-1

Tier 1 Eligibility



Eligible Tier 1 Electric Generation Sources



- Biogas
- Biomass
- LiquidBiofuels
- Fuel Cell

- Hydroelectric
- Solar
- Tidal/Ocean
- Wind



Distributed Energy Resource Eligibility

Summary Table of Distributed Energy Resource Categories and Treatment of Generation Attributes

		iary rable of Biethbatea L						
		DER Category	Options	Solicitations	Will NYGATS create a transferable Certificate in the	Will NYGATS create a non-transferable Certificate in the account of the customer (indicates retirement by customer)?	Do the attributes of the generation count towards the interconnecting LSE's RES Compliance Mandate?	Do the attributes of the generation count towards the Statewide 50% by 2030 renewable resources goal?
NFM Tarrife	Net Energy Metering	All Projects (Prior to Cut-Off)	RES Tier 1 (if eligible and awarded a contract by NYSERDA)*	Yes	Yes**	No	No	Yes
			Customer Retention	No	No	Yes	No	Yes
	On Site Mass Market Projects and Small Wind Remote Net Metering Projects On-Site Large Projects	None	No	No	Yes	No	Yes	
	One NEM							
		Community Distributed Generation Projects	Interconnecting-LSE-Option	No	No	No	Yes	Yes
		Community Distributed Generation Projects	Customer-Retention Option	No	No	Yes	No	Yes
VDER Phase								
One Tariffs	One Tariffs Value Stack	On-Site Mass Market Projects and Small Wind	Interconnecting-LSE-Option	No	No	No	Yes	Yes
		llonger net metering)	Customer-Retention Option	No	No	Yes	No	Yes

Adapted from DPS Order on the Value of Distributed Energy Resources, Appendix B



^{*} All pre-existing NEM projects that are eligible to bid into RES Tier 1 solicitiations are subject to a previous RPS Main Tier contract rule that prohibited simultaneous collections of both New york RPS incentive payments and production-based incentives from any other state or local source, including CST, NY-Sun, and CEF program incentives.

^{**} The Certificates will be transferable to NYSERDA pursuant to contract who may then transfer them to Load Serving Entities.

Renewable Energy Standard RESRFP17-1 Overview



Participation Prerequisite – Tier 1 Certification

The <u>Order Adopting a Clean Energy Standard</u> established Renewable Energy Standard eligibility requirements.

Prior to participating in NYSERDA's Solicitation:

- Operating Facilities will apply for and receive a Statement of Qualification (SoQ)
- Facilities that are not yet operational will apply for and receive a Provisional Statement of Qualification (PSoQ)

Date	Event
June 28	Deadline to submit a Tier 1 Eligibility Request
July 7	NYSERDA responds with Tier 1 Eligibility Request Determination



Participation Prerequisite – Tier 1 Certification

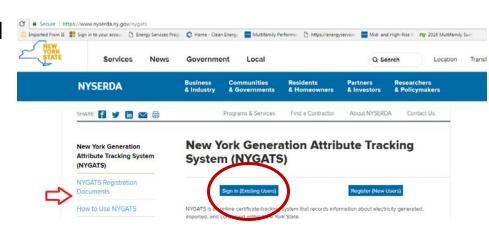
Please visit NYSERDA's Eligibility and Certification websites for more information:

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

Please visit the link below to register and apply for Tier 1 eligibility:

https://www.nyserda.ny.gov/NYGATS

- NYGATS Registration Documents
- How to Use NYGATS



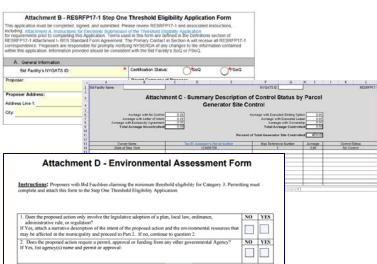
Step One Minimum Threshold Eligibility Application and Requirements



Step One Threshold Eligibility Application

A complete application package is an online submission that consists of:

- Step One Threshold Eligibility <u>Application</u> <u>Form</u> (Attachment B)
- Threshold Eligibility supporting evidence documentation for:
 - Site Control*
 - Interconnection
 - Permitting*
 - Project Development*
 - Project Financing*
 - Resource Assessment
- Project Schedule Form (Attachment H)
- Proof of Bid Deposit



Please use templates provided as attachments to NYSERDA's RFP

OPPORTUNITY.

If the proposed bid facility is in operation,
Proposers need only submit those items
underlined.

NEW YORK | NYSERDA

Minimum Threshold Eligibility Requirements

Category	Project Types	Minimum Standard		
1) Site Control	Generation Facility < 15 acres Generation Facility > 15 acres	Exclusivity Agreement or Letter of Intent with site owners(s) Exclusivity Agreement or Letter of Intent must cover 50% of the site's acreage		
	All: Interconnection Right of Way (ROW)	Exclusivity Agreement or Letter of Intent for ROW, and/or an executed ROW agreement, or ROW is controlled by or assignable to the interconnecting utility		
2) Interconnection	FERC Jurisdiction: Large (>20 MW)	All Projects: Provide	Valid Interconnection request has been submitted, and all fees are paid	
	Small (<20 MW) in NYISO or adjacent control areas Small Generator (<20 MW) Non-FERC Interconnection Behind-the-Meter	summary or other evidentiary documentation confirming interconnection activities and payment of fees.	Have submitted or prepared an interconnection request, can be filed within 90 days of award	

Minimum Threshold Eligibility Requirements

Criteria	Project Types	Minimum Standard
3) Permitting	All	 Listing of permitting requirements at the local, state and federal level, including any special use/conditional use permits, air permits, planning board approvals, U.S. Army Corps of Engineers (USACE) letters, and other applicable requirements. Performed an initial review of (i) cultural, historic, archeological and natural heritage impacts, as may be required; and (ii) wetland, fish and wildlife, and other applicable environmental impacts. If applicable, have developed emissions profiles for the Bid Facility that are consistent with state/federal emission regulations and RES eligibility requirements. If applicable, Proposer has a reasonably complete Public Involvement Program Plan (PIP) prepared in accordance with the Article 10 regulations
4) Project Development Experience	All	Experience successfully developing at least one electrical generation facility of similar or larger scale
	Energy Storage, if applicable	Experience successfully developing at least one energy storage system of similar or larger scale using the same technology as proposed

Minimum Threshold Eligibility Requirements

Criteria	Project Types	Minimum Standard
5) Project Financing	All	 A Bid Facility Financing Plan: A description plan to finance the proposed Bid Facility, including the type of finance approach and the investors. A plan for revenue streams other than RECs, if any, specifying: Type of transaction Any hedges, amount and tenor If applicable, include and describe: Construction status (with supporting evidence) the financing for project has been arranged and closed, and type of financing commitment If the Proposer is in the process of arranging financing for the facility, or a description of the plan to arrange financing. Previous project finance experience of the Proposer or its affiliates
6) Resource Assessment	Technology Specific	 Solar, Wind, and Hydro: P(50) annual energy production estimate Fuel-based bid facilities utilizing natural gas: Demonstration of Fuel Availability Biomass, Biogas, Ocean, and Tidal: A feasibility study by a qualified independent 3rd party

Step One Required attachments for Operational Projects

Proposers will complete an online form consisting of <u>Attachment B.</u> <u>Threshold Eligibility Application Form</u>. Proposers will attach to the form:

- Technology specific <u>Resource Assessment</u>
 - Solar, Wind, and Hydro: P(50) annual energy production estimate
 - Fuel-based bid facilities utilizing natural gas: Demonstration of Fuel Availability
 - Biomass, Biogas, Ocean, and Tidal: A feasibility study by a qualified independent 3rd party
- Proof of Bid Deposit



Step One Required attachments for Provisionally Certified Projects

Proposers will complete an online form consisting of <u>Attachment B. Threshold Eligibility</u> <u>Application Form</u>. Proposers will attach to the online application threshold eligibility supporting

- Site Control
 - Map of site layout

evidence documentation for:

- Summary description of Control Status (Attachment C)
- If available, one-line diagram
- Interconnection determined by facility size and location
- Permitting
 - Environmental Assessment Form (Attachment D)
 - List of required permits (Attachment E)
 - If applicable, draft copy of PIP (Article 10)

- Project Development
 - List of Project Development Experience (Attachment F)
- Project Financing
 - Financing Plan
 - List of Project Financing Experience (Attachment G)
 - If applicable, Energy Storage financing experience
- Resource Assessment technology specific
- Project Schedule Form (Attachment H)
- Proof of Bid Deposit

NB: If the Bid Facility has exceeded the minimum requirement in any category, please submit evidence of most mature project progress

Step One Threshold Eligibility Application

Materials available on NYSERDA's website: https://www.nyserda.ny.gov/ces/rfp

Associated Documents

- RESRFP17-1 Renewable Energy Standard Purchase of Renewable Energy Credits All Documents [PDF]
- RESRFP17-1 Renewable Energy Standard Purchase of Renewable Energy Credits -Summary [PDF]
- Attachment A Instructions for Electronic Submission of the Threshold Eligibility Application [PDF]
- Attachment B Threshold Eligibility Application Form [PDF]
- Attachment C Summary Description of Control Status by Parcel [XLSX]
- Attachment D Environmental Assessment Form (PDF)
- Attachment E List of Required Permits (xLsx)
- Attachment F List of Project Development Experience [xLsx]
- Attachment G List of Project Financing Experience [xLsx]
- Attachment H Project Schedule Form [PDF]
- Attachment I RES Standard Form Agreement including Exhibits A, B and C [PDF]
 - · Exhibit D Requirements for Biomass-Fueled Bid Facilities [PDF]

Populate templates, save on your computer, and attach to online Application



Upload Attachment(s)

Instructions: Proposers must upload supporting documentation as described in Section VIII. Step One Threshold Eligibility Application Package of the RESPRFP17-1. It is recommended that Proposers who have exceeded the minimum threshold eligibility requirements provide evidence of the furthest level of progress for each Category as described in Appendix 2. Project Viability Appendix.

Please include attachment filename in the form:

Project_Name_NYGATS_ID_Category/Descriptor.

**You must limit file names to 100 characters. Do not use spaces in the file name.

The Following Attachments Are Required For All Bid Facilities.

<u>Category 6 - Resource Assessment</u> A Feasibility Study, Modeled Production Estimate, Or Gas Utility Confirmation For The Bid Facility As Described In Section IX. Step One Threshold Eligibility Application. Required For All Bid Facilities.

Drag your file or click here to upload

Submitting a Step One Threshold Eligibility Application

Gather required populated templates and documentation and visit:

https://www.nyserda.ny.gov/ces/rfp

2017 RES Request for Proposals (RESRFP17-1)

NYSERDA seeks to purchase Tier 1 RECs associated with electricity generated from eligible facilities that enter commercial operation on or after January 1, 2015 and on or before November 30, 2019, unless extended to November 30, 2021 (refer to the RFP in the Associated Documents section below for full details).

This RFP will be implemented through a two-step process, consisting of:

- 1. A threshold eligibility application to prequalify proposers
- Competitive bid proposal submissions for proposers prequalified in step one.

Only proposers prequalified through step one, the threshold eligibility application, can submit proposals via step two, the competitive bid proposal.

Click Submit Online to begin step one: the threshold eligibility application.





Notification of Qualification to Participate in Step Two



Notification of Qualification to participate in Step Two

NYSERDA will provide to Proposer:

- Maximum Contract Tenor
- Instructions on how to submit a complete Step Two Bid Proposal
- Instructions on how to provide additional progress or clarifying information in Project Viability Sub-categories
 - 1) Site Control
 - 2) Interconnection
 - 3) Permitting
 - 4) Project Development Experience
 - 5) Project Financing Experience
 - 6) Resource Assessment



Step Two Bid Proposal



Step Two Bid Proposal

A complete proposal package is an online submission that consists of:

- Bid Proposal (Quantity) and Bid Price
- Incremental Economic Benefits Claims
- Project Viability Claims
 - If applicable, provide additional documentation to demonstrate the current level of progress in any of the six Project Viability Categories beyond the documentation provided in Step One;
 - If elected, instructions on how to pledge additional Contract Security
- Operational Flexibility and Peak Coincidence Claims
- NYSERDA/NYPA Bid Coordination Form
 - * Please use templates provided by NYSERDA in Notification of Qualification
 - * If the proposed bid facility is in operation, Proposers need only submit those items underlined.

Project Viability sub-categories:

- Site Control
- 2) Interconnection
- 3) Permitting
- 4) Project Development
- 5) Project Financing
- 6) Resource Assessment



Attachments for Step Two Bid Proposals

Proposers will be instructed to complete an online form and will attach supporting documentation, if applicable:

- * Incremental Economic Benefits expected to accrue to New York State
- * Additional Project Viability evidence to demonstrate the current level of progress in any of the six Project Viability Categories beyond the documentation provided in Step One
- * Load Matching hourly production profile consistent with the technology specific Resource Assessment attachment provided in the Step One Threshold Eligibility Application
- * Energy Storage physical and technical parameters and documentation
 - * Please use templates provided by NYSERDA in Notification of Qualification for Step Two
 - * Please label uploaded documents with the Project Name, NYGATS ID, and a short descriptor



Step Two Bid Proposal Evaluation



RESRFP17-1 Evaluation Methodology

Price Component:

70% Bid Price

Non-price Components:

- 10% Economic Benefits
- 10% Project Viability
- 10% Operational Flexibility and Peak Coincidence

Non-price Components evaluated by the Scoring Committee



Evaluation: Bid Price – 70% Weight

- Lowest bid receives 70 points; remainder of acceptable bids are awarded in proportion relative to the lowest bid price
 - Ranking and weighting on an NPV basis over contract duration (up to 20 years)
- DISCo Rate of 6.66% established by the Department of Public Service Office of Accounting, Audits and Finance
- NYSERDA will employ a confidential Maximum
 Acceptable Bid Price Evaluation Metric

Step Two Evaluation: Economic Benefits – 10% Weight

Category	Points
A) Long-term jobs	3.0
B) Payments/benefits to NYS and municipalities	2.7
C) Royalties/payments for fuel and resource access	2.3
D) In-state purchases or consumption of goods and short-term employment	2.0

- If applicable, Proposers will submit their estimates of economic benefits with their Step Two Bid Proposal and verify actual spend after 3 years of delivery
- Bidders must submit a third party audit of the claims three years after the start of contract delivery. NYSERDA will provide Bidder with Audit Protocol



9) Step Two Evaluation: Project Viability – 10% Weight

Category	Subcategory	Category Points
Site Control	Generator	1.5
	Interconnection Right of Way	0.5
Interconnection Progress		2.0
Permitting Progress		2.0
Project Development Experience		1.0
Project Financing Experience		1.0
Quality of Resource Assessment		1.0
Contract Security above minimum		1.0

NYSERDA

10) Step Two Evaluation: Operational Flexibility & Peak Coincidence Evaluation Criteria – 10% Weight

Category	Scoring Approach	Category Points	
	Bid Facilities in Zones G through K receive 100% category points		
Load Matching	Bid Facilities in A through F will receive a score in proportion to its capacity factor during the lowest 10% of historic annual load hours for Zones A through F in aggregate	3	
Dispatchability	Scores in this category will favor Bid Facilities that place the least integration burden on the system. Scored by Renewable Energy technology	3	
Energy Storage (if applicable)	Effective Hours of Storage Capacity relative to renewable capacity	4	N'

Award Recommendation



Award Recommendation

- Ranking
- Initial Award Group
- NYSERDA reserves the right to employ a waitlist
- Dual Participation and NYPA
- DPS and NYSERDA may employ a Portfolio Risk Assessment, consisting of one or more tests:
 - Diversity of Resources
 - Diversity of Owners
 - Developer Experience



Contracting



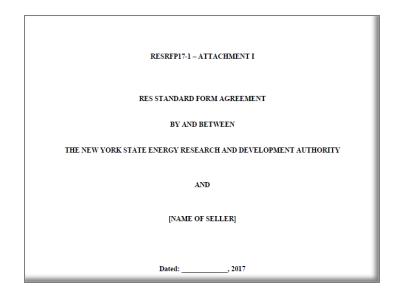
NYSERDA RES Standard Form Agreement

- RES Standard Form Agreement Attachment I of RFP
 - Exhibit A NYSERDA Standard Terms and Conditions
 - Exhibit B Letter of Credit
 - Exhibit C NYSERDA Prompt Payment Policy
 - Exhibit D Requirements for Biomass Fueled Bid Facilities
 - 2017 Biomass Fuel Guide



Contractual Requirements

- Section 3. <u>Delivery Requirements</u>
 - Bid Facilities in the NYCA
 - External Bid Facilities
 - Bilateral Sales
- Section 4. <u>Payment</u>
 - Prompt Payment Policy
 - Maximum Commitment/Limitation
- Section 5. <u>Adjustments</u>
 - RECs NYGATS transfer
 - Economic Benefits Verification
 - Installed Bid Capacity vs. Proposed Bid Capacity
 - Energy Storage (if applicable)





Contractual Requirements

- Commercial Operation Milestone Date Definition
- Article XV. <u>Contract Security</u>

Amount	Due Date	COMD
\$9.00 * Annual Bid Quantity	Within 10 days of November Award	November 30, 2019
\$6.00 * Annual Bid Quantity	November 30, 2018	November 30, 2019
Extension of Commercial Operation Milestone Date		
\$2.00 * Annual Bid Quantity	October 30, 2019	May 31, 2020
\$2.00 * Annual Bid Quantity	April 30, 2020	November 30, 2020
\$2.00 * Annual Bid Quantity	October 30, 2020^	May 31, 2021
\$2.00 * Annual Bid Quantity	April 30, 2021^	November 20, 2021

^Section 15.03 <u>Executed Interconnection Agreement</u>. Seller may provide an executed Interconnection Agreement in lieu of additional Contract Security



Contractual Requirements

- Section 15.06. <u>Refund of Security</u>
- Section 15.07. <u>Retention of Security</u>
- Operational Certification
- NYGATS
 - NYGATS Operating Rules
 - Dedicated Generation Meter
 - Forward Certificate Transfer



Thank you for your participation.

Doreen Harris
Director, Large Scale Renewables

Peter Keane Deputy General Counsel

Abbey DeRocker Senior Project Manager, Large Scale Renewables

Bram Peterson Project Coordinator, Large Scale Renewables



Please direct questions to: res@nyserda.ny.gov



2017 NYSERDA RESRFP17-1 Timeline

Date	Event
June 14	Proposers' Webinar
June 28	Deadline to submit Tier 1 Eligibility Request
July 7	NYSERDA responds with Tier 1 Eligibility Determination
July 13 at 5pm EDT	Deadline to submit Step One Threshold Eligibility Application Packages (Step One)
August 22	NYSERDA notifies Proposers of Step One Qualification determinations
Sept 28 at 5pm EDT	Deadline to submit Step Two Bid Proposal (Step Two)
November	NYSERDA notifies winning Proposers



Resources



Resources

NYSERDA's Clean Energy Standard website:

https://www.nyserda.ny.gov/ces

Eligibility:

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

Certification Guidelines and Instructions:

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

NYGATS: https://www.nyserda.ny.gov/nygats

NYSERDA's Tier 1 REC Procurement website for RESRFP17-1: https://www.nyserda.ny.gov/ces/rfp

NYSERDA's Tier 1 REC Procurement Distribution List: https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Generators-and-Developers/Renewable-Generators-and-Developers-Email-List

