

### **What is the Offshore Wind Standard?**

In 2016, the New York State Public Service Commission adopted the Clean Energy Standard to reach the State's clean energy goals, reduce harmful emissions, and ensure a diverse and reliable low carbon energy supply. The Offshore Wind Standard builds upon and supports the Clean Energy Standard by coordinating development of New York State's offshore wind resources through the procurement of Offshore Wind Renewable Energy Certificates (ORECs). An OREC represents the environmental attributes associated with one megawatt-hour (MWh) of electricity generated from offshore wind resources and consumed by a retail customer in New York State. Similar to renewable energy credits procured under Tier 1 of the Renewable Energy Standard, NYSERDA's purchase of ORECs will allow NYSERDA to credit the environmental attributes associated with an awarded facility to the State's goal.

### **What is NYSERDA's role in the offshore wind procurement process?**

Similar to NYSERDA's role in solicitations issued under the Clean Energy Standard, NYSERDA is authorized to act as the central administrator of the Offshore Wind Standard program. Through a competitive solicitation process, NYSERDA will award long-term contracts to developers of new offshore wind facilities to purchase ORECs on behalf of the Load Serving Entities (LSEs) in New York State. NYSERDA will then sell the ORECs to the LSEs in compliance with each of the respective LSE's offshore wind obligation. Each LSE will be obligated to purchase a percentage of ORECs purchased by NYSERDA in a year that represents the portion of the electric energy load served by the LSE in relation to the total electric energy load served by all LSEs operating in New York State during that period.

### **Why is New York State pursuing a phased approach for offshore wind procurement?**

NYSERDA's Offshore Wind Policy Options Paper filed on January 29, 2018 recommended that an initial 800 MW phase of implementation is necessary due to the rapid development of the industry in the United States. This first phase of 800 MW or more will stimulate the development of the domestic offshore wind industry, reduce the future cost of offshore wind procurements, and allow New York State to realize the direct benefits associated with the construction, operation, and maintenance of offshore wind resources.

### **How will NYSERDA evaluate bid proposals?**

After bids are received, NYSERDA and a team of independent evaluators will review and score the bids using a combination of price and non-price criteria as established in the Offshore Wind Standard Order. Price is weighted at 70% and based on OREC offer prices. Economic benefits are weighted at 20% and considers project-specific spending and job creation, investments in offshore wind-related supply chain and infrastructure development, and opportunities for New York offshore wind supply chain, workforce, and research and development. Finally, project viability is weighted at 10% and is focused on project maturity, technical and logistic feasibility of project development plans, a Proposer's level of experience, expertise, and financial resources, and the ability of the project to be developed in a manner sensitive to ocean users and coastal communities.

### **How will NYSERDA ensure that New York State's workforce and economy benefit from jobs associated with these projects?**

The Offshore Wind Standard Order authorizes NYSERDA to include, at its discretion, certain contract requirements in agreements resulting from this solicitation. NYSERDA recognizes the potential for New York's communities and economy to benefit from the opportunities associated with a local supply chain and has incorporated various elements into the procurement to reflect that. First, the procurement emphasizes New York's commitment to ensuring that economic development takes the form of high-quality employment opportunities by including commitments to project labor agreements and prevailing wages as contract requirements for awarded projects. Second, the procurement requires Proposers to submit an Economic Benefits Plan to incentivize in-state investments that provide long-term benefits for New York State. Finally, Proposers must agree to provide New York companies with the opportunity to offer to provide goods and services to developers of the project by communicating all opportunities for contracts with an anticipated value of \$5 million or greater not already committed at the time of offer submission to a New York State vendor list maintained by NYSERDA.

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## How will NYSERDA account for potential impacts to fishing and the environment?

The procurement addresses the interest of ocean users by requiring Proposers to engage with the fishing and environmental communities in the development process to assess and mitigate potential impacts. Contract awardees will be required to consult with New York State agencies during the planning and development of the offshore wind facility as well as participate in New York State's Environmental, Commercial and Recreational Fishing, Maritime, and Jobs and Supply Chain Technical Working Groups. Awardees must also agree to make all environmental data collected during the construction, operation, and decommissioning of the project publicly available. Further, Proposers are required to include Fishing and Environmental Mitigation Plans explaining how they will mitigate adverse impacts on the commercial fishing industry and the environment that may be caused by a project.

## How is NYSERDA addressing concerns around visual impacts?

Minimizing visual impacts has been a priority and has been included as a contract requirement in the solicitation. If a project proposes to include turbines less than 20 miles from the shoreline, Proposers are required to explain how the project will minimize adverse impacts related to visibility of turbines, including potential impacts on the local and state economy and historic and visual resources, such as publicly-accessible viewsheds, and how consideration of economic and environmental concerns contributed to the proposed distance from shore. Proposals are also required to include a visibility study that presents visual simulations of the proposed offshore wind generation facility. Finally, Proposers must agree to install lighting controls to minimize nighttime visibility if awarded a contract.

## When will projects awarded in this solicitation be operational?

Several factors can affect the development and construction of an offshore wind facility, including political and regulatory dynamics at the state and federal levels, permitting and supply chain lead times, activity durations and constraints, and broader economic conditions. Given these considerations, projects can be expected to be operational by the early to mid-2020s.

## How did NYSERDA consider stakeholder concerns during the solicitation development process?

On July 20, 2018, NYSERDA responded to the Public Service Commission's Order by requesting feedback on its offshore wind energy procurements through the Offshore Wind Renewable Energy Credits Request for Information (RFI OSW-2018). Using the comments that were received in response to RFI OSW-2018, NYSERDA released a draft RFP on September 20, 2018 that was also open to comments from offshore wind developers and other interested stakeholders. These comments were used to inform and refine the final RFP issued by NYSERDA on November 8, 2018.

Responses to RFI OSW-2018 and the draft RFP came from a variety of stakeholders including but not limited to project developers, government agencies, utilities, environmental organizations, labor representatives, community organizations, and the commercial fishing industry, exemplifying the diversity of interests committed to the responsible development of offshore wind energy in New York State. NYSERDA will continue to engage with stakeholders to ensure that the development of offshore wind occurs in a way that is responsive to stakeholder interests and beneficial to New Yorkers.

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NYSERDA offers objective information and analysis, innovative programs, technical expertise, and support to help New Yorkers increase energy efficiency, save money, use renewable energy, and reduce reliance on fossil fuels. NYSERDA professionals work to protect the environment and create clean energy jobs. A public benefit corporation, NYSERDA has been advancing innovative energy solutions since 1975.