



NYSERDA

2018 Solicitation: ORECRFP18-1

Proposers' Conference

Thursday, November 29, 2018

Agenda

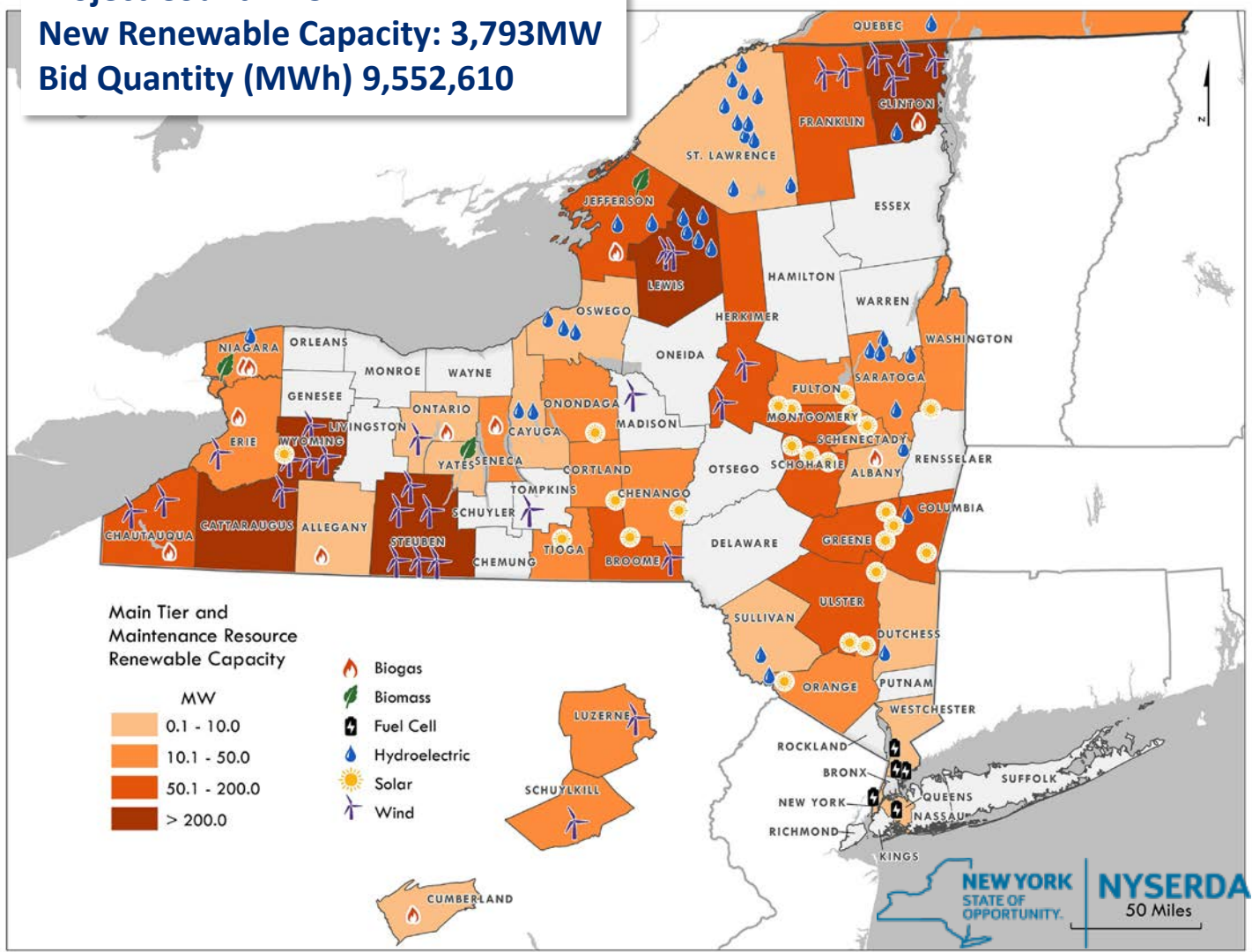
- **Background: Offshore Wind in New York State**
- **Introduction, Eligibility, and Submission Requirements**
- **Evaluation Overview, Viability, Economic Benefits, and Price Evaluation**
- **Contract Commitments Relating to Considerations Identified in the Offshore Wind Order**
- **Post-Award Process & Appendix F: Agreement**
- **Questions**

Background: Offshore Wind in New York State




Doreen Harris
Director, Large-Scale Renewables

NYSERDA RES & RPS Funded Projects

Project Count: 115
 New Renewable Capacity: 3,793MW
 Bid Quantity (MWh) 9,552,610




New York Clean Energy Standard


50%
 **renewable
energy by**
2030 

New York State has committed to building:

**up to 2,400 megawatts of offshore
wind power by 2030, enough to
power up to 1.2 million homes**

A photograph of an offshore wind farm at sunset. The sky is a mix of blue and orange, with the sun low on the horizon. Several wind turbines are visible, their silhouettes reflected in the calm water. The turbines are arranged in a line, receding into the distance.

Achievement of New York's offshore wind goals will result in significant benefits across the State

Carbon Reduction



Infrastructure



Air Quality & Health



Workforce



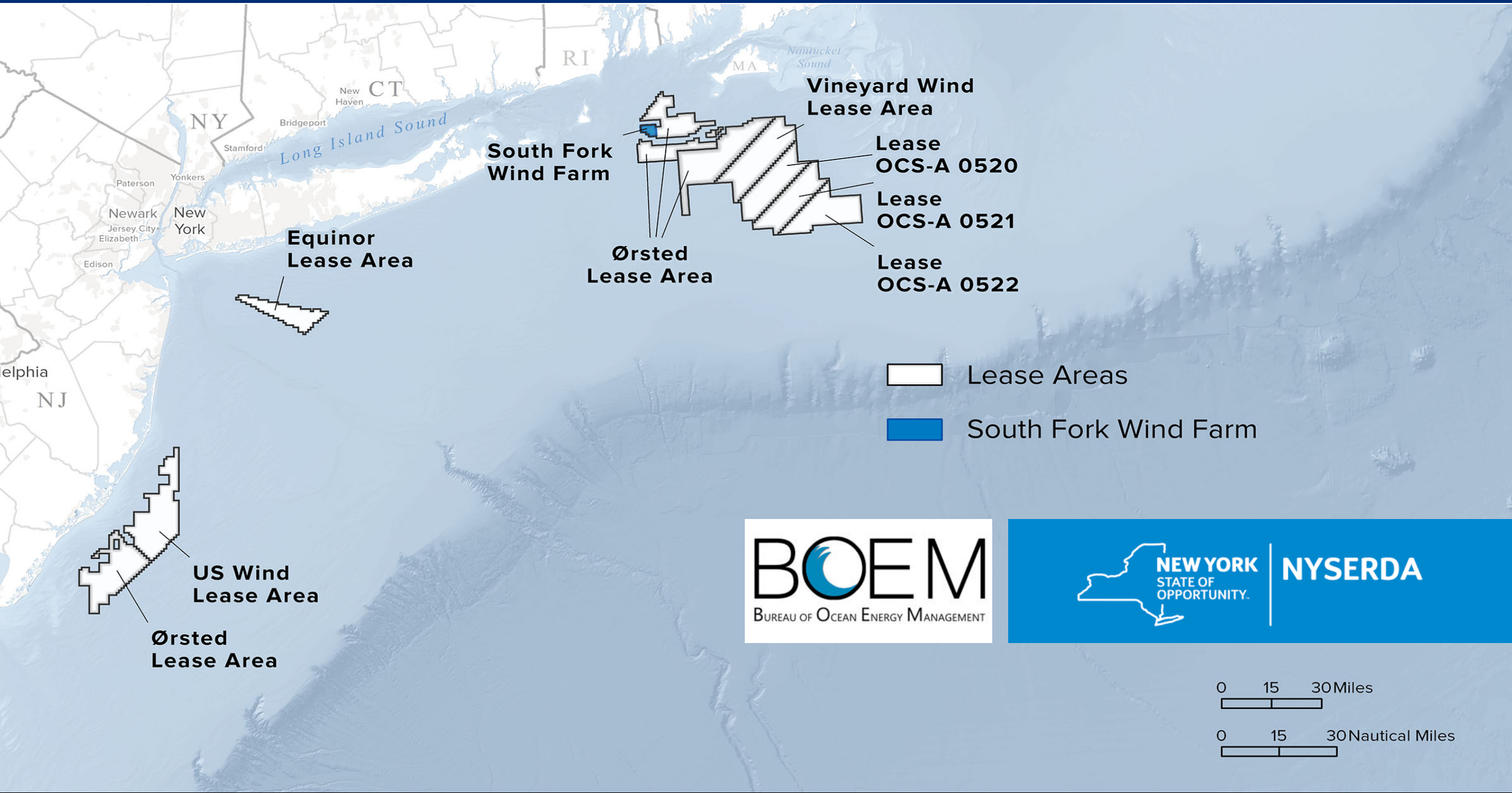
Roadmap for advancing the development of offshore wind in a **cost-effective** and **responsible** manner



NEW YORK STATE OFFSHORE WIND MASTER PLAN

Charting a Course to 2,400 Megawatts
of Offshore Wind Energy





South Fork Wind Farm

Vineyard Wind Lease Area

Lease OCS-A 0520

Lease OCS-A 0521

Lease OCS-A 0522

Ørsted Lease Area

Equinor Lease Area

US Wind Lease Area

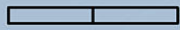
Ørsted Lease Area

 Lease Areas

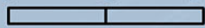
 South Fork Wind Farm



0 15 30 Miles



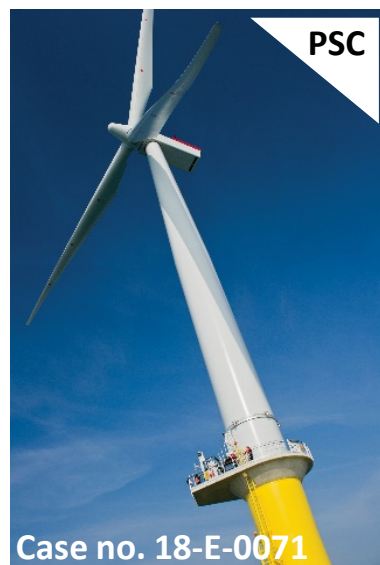
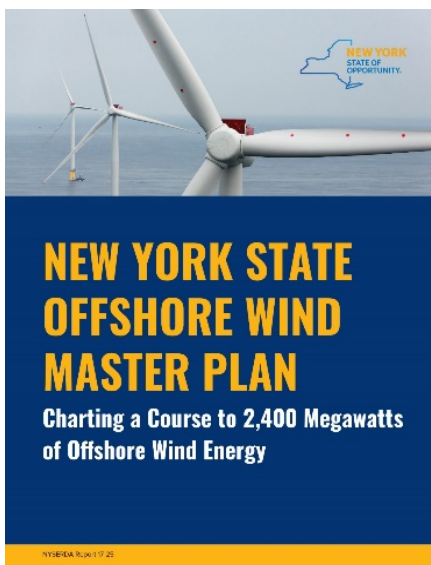
0 15 30 Nautical Miles



Advancing interactions between stakeholders



Responsible and Cost-Effective Development of OSW



Master Plan + Policy Options Paper

Offshore Wind Standard

OREC RFI OSW-2018

ORECRFP18-1



New York issued an comprehensive solicitation

to develop

800 MW

or more of
offshore wind



NEW YORK
STATE OF
OPPORTUNITY.

NYSERDA

ORECRFP18-1: Introduction, Eligibility, and Submission Requirements

**Adrienne Downey
Principal Engineer, Offshore Wind**

Background and References

- **Clean Energy Standard**

August 1, 2016, Case No. 15-E-0032, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Adopting a Clean Energy Standard

- **Order Establishing the Offshore Wind Standard and Framework for Phase 1 Procurement**

July 12, 2018, Case No. 18-E-0071

- **New York Generation Attribute Tracking System (“NYGATS”) Operating Rules**

Designated Contacts and Communications with NYSERDA

- **Designated Contacts for ORECRFP18-1:**
Doreen Harris, Director of Large-Scale Renewables
Adrienne Downey, Principal Engineer, Offshore Wind
Gregory Lampman, Program Manager, Environmental Research
Matt Vestal, Technical Advisor, Offshore Wind
- **The four individuals listed as Designated Contacts are the ONLY permissible contacts for questions regarding ORECRFP18-1.**
- **All communications to any of the four regarding ORECRFP 18-1 must be by e-mail to offshorewind@nyserdera.ny.gov (no phone calls please.)**
- **Questions regarding the Standard Agreement will be routed to Deputy General Counsel Peter Keane via this same address.**

Files and Appendixes

- ORECRFP18-1 Request for Proposals
- Appendix A – Notice of Intent to Propose
- Appendix B – Proposal Certification Form
- Appendix C – Economic Benefits Claims and Verification
- Appendix D – Elements of the Fisheries Mitigation Plan
- Appendix F – OREC Standard Form Purchase and Sale Agreement
- Appendix G – Offer Data Form
- Appendix H – Master Offers Form
- Appendix I – Proposal Submission Guide

2018 Solicitation Website:

<https://www.nyserda.ny.gov/offshore-wind-2018-solicitation>

Proposers are reminded to refer to website for changes.

Submit **Appendix A - Notice of Intent to Propose** via email to offshorewind@nyserda.ny.gov to receive emails on changes.

Offshore Wind

Offshore Wind in New York State | Economic Opportunities | Marine Ecosystems | Offshore Wind Solicitations | Studies and Surveys | Connect with Us

A PROGRAM OF NYSEDA

OFFSHORE WIND SOLICITATIONS

Generators and Developers

2018 Solicitation

Offshore Wind Renewable Energy Credits

Regulatory Resources

Transmission and Interconnection

2018 Solicitation

NYSEDA has launched its first request for proposals (RFP) for offshore wind energy to help accelerate progress toward New York State's goal of developing 2,400 megawatts (MW) of offshore wind energy by 2030.

Through this 2018 solicitation, ORECRFP18-1, NYSEDA seeks to procure 800 MW or more of offshore wind renewable energy certificates (ORECs) as authorized by the New York State Public Service Commission's Order establishing the [Offshore Wind Standard](#) (PDF). Notable provisions in this solicitation include:

- Ensuring that coastal communities are fully engaged and informed during the development and construction process;
- Requiring Project Labor Agreements and prevailing wage for workers associated with the construction of any awarded facility;
- Incentivizing associated jobs, project spending, and infrastructure investments in New York State by requiring awardees to provide an economic benefits plan for evaluation, backed by independent audit and verification of the realization of these claims; and
- Actively addressing the interests of ocean users such as commercial and recreational fishing and environmental stakeholders as reflected in mitigation plans which are informed by New York's technical working groups.

Learn more by downloading the [2018 Solicitation Frequently Asked Questions](#) (PDF)

ORECRFP18-1 and Appendices

- [Request for Proposals](#) (PDF)
- [Appendix A - Notice of Intent to Propose](#) (PDF)
- [Appendix B - Proposal Certification Form](#) (PDF)
- [Appendix C - Economic Benefits Claims and Verifications](#) (PDF)
- [Appendix D - Elements of the Fisheries Mitigation Plan](#) (PDF)
- [Appendix E - Elements of the Environmental Mitigation Plan](#) (PDF)
- [Appendix F - Offshore Wind Renewable Energy Certificate Standard Form Purchase and Sale Agreement](#) (PDF)
- [Appendix G - Offer Data Form](#) (xlsx)
- [Appendix H - Master Offers Form](#) (xlsx)
- [Appendix I - Proposal Submission Guide](#) (PDF)

Schedule

All Eastern Time (ET):

RFP Release Date	November 8, 2018
Proposers Conference	November 29, 2018, 10:00 a.m.
Deadline for Submission of Written Questions	December 6, 2018, 3:00 p.m.
Responses to Written Questions Posted	December 13, 2018
Deadline for Notice of Intent to Propose	December 20, 2018, 3:00 p.m.
Deadline for NYSERDA Portal Registration	February 7, 2019, 3:00 p.m.
Deadline for Submission of Proposals	February 14, 2019, 3:00 p.m.
NYSERDA Award Notification Date	April 2019
Contract(s) Executed	June 2019

Proposals must be held firm and valid for 180 days from February 14, 2019.

Schedule

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NYSERDA RESERVES THE RIGHT TO REJECT OR ACCEPT ANY OR ALL PROPOSALS.

Modification or Cancellation of the RFP and Solicitation Process (§1.7)

The terms and conditions of this RFP may, at any time, be changed, postponed, withdrawn, and/or canceled, including any requirement, term or condition of this RFP, without liability to NYSERDA, NYSERDA Consultants, or members of the Scoring Committee. **Changes will be noted on the 2018 Solicitation Website and to subscribers via submission of the Notice of Intent to Propose as noted.**

Updates to Proposals (§1.8)

Proposers will not have an opportunity to refresh or restate Proposals after the Deadline for Submission of Proposals. But Proposers may provide new information that was not available at the time of their Proposal submission or the deadline for submission of Proposals. All information to be shared with the Designated Contacts. **Updates are for informational purposes only and will not be evaluated by the Scoring Committee.**

Requests for Additional Information (§1.9)

NYSERDA and the Scoring Committee may request clarification and additional information from Proposers at any time throughout duration of the evaluation process.

Interviews with Proposers (§1.10)

NYSERDA may request in-person interviews with any Proposer, to be scheduled at a mutually convenient time.

Offshore Wind Renewable Energy Certificate (OREC)

The electronic record of generation data created by NYGATS and representing all of the attributes, including all Environmental Attributes, of one MWh of electric generation from an Offshore Wind Facility delivered into the New York Control Area and registered with the NYGATS tracking system.

The attributes represented in each OREC include all environmental characteristics, claims, credits, benefits, emissions reductions, offsets, allowances, allocations, howsoever characterized, denominated, measured or entitled, attributable to the generation of Actual Eligible Production by a Project, including but not limited to: (i) any direct emissions or any avoided emissions of pollutants to the air, soil or water including but not limited to sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), particulate matter and other pollutants; (ii) any direct or avoided emissions of carbon dioxide (CO₂), methane (CH₄) and other greenhouse gases (GHGs) that have been or may be determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; (iii) all set-aside allowances and/or allocations from emissions trading programs made unnecessary for compliance in such program as a result of performance under the Agreement, including but not limited to allocations available under 6 NYCRR §§ 204, 237 and 238; and (iv) all credits, certificates, registrations, recordations, or other memorializations of whatever type or sort, representing any of the above.

Project Eligibility Requirements

NYSERDA is seeking to procure ORECs produced from one or more Offshore Wind Generation Facilities (“the Project”)

- Operational on or after January 1, 2015
- Located in the ocean waters of the United States
- Irrevocable right or option to develop within a federal Bureau of Ocean Energy Management (BOEM) lease area
- Firm offer pricing for Fixed OREC and Index OREC pricing models expressed as a constant nominal strike price
- Only constant nominal pricing or pricing that increases nominally by Contract Year, subject to a maximum of 2.0% annual nominal escalation, will be accepted.

Required Base Proposal

400MW, 25y Contract Tenor. Must include both Fixed OREC and Index OREC pricing expressed as a constant nominal strike price over the Contract Tenor

Required Transmission Proposal

Direct interconnection to a point in NYISO Zone J or K

\$300K Base Proposal Fee

Alternate Proposals (Optional)

Projects \geq 200MW for either 20y or 25y, using constant or non-decreasing nominal Fixed OREC and Index OREC Strike Prices

\$40K ea. / Different installed capacity, transmission system, delivery point, technical configuration, or COD

\$20K ea. / Different strike Prices or Contract Tenor

Proposals to be accompanied by Proposal Fees, made payable to NYSERDA per §1.5.

The proposal fee is non-refundable unless NYSERDA cancels this RFP. If this RFP is canceled by NYSERDA, uncommitted proposal fees will be returned. **In no other event will any portion of the proposal fee be refunded, regardless of whether or not a Proposal(s) is (are) selected by NYSERDA.**

Preparation of Proposals

I. ORECRFP18-1 – Appendix I

Appendix I Proposal Submission Guide

This appendix provides submission instructions for the ORECRFP18-1 ("the RFP") Proposal Submissions.

All applications must be submitted by the Deadline for Submission of Proposals, Thursday, February 14, 2019 at 3 p.m. ET.

It is recommended that Proposers set aside ample time, well in advance of the deadline, to gather the required information and documentation and to understand the requirements to complete a Proposal Submission.

For additional help during the application process, please contact the Designated Contacts at offshorewind@nyserda.ny.gov.

Important Reminders before Applying

- Visit the [NYSERDA offshore wind program website](#) to review the application materials and process in full. All relevant documents pertaining to this RFP are available here. Proposers are advised to check this website regularly for updates including any changes to dates, links, etc.
- Review the Instructions to Proposers, Section 6 of the RFP, to determine applicable attachments for each Proposal, and where these attachments will be uploaded.
- When uploading required documentation, please use the following standard naming convention detailed in Section I.3.3 of this Appendix I.
- Proposers that intend to submit Alternate Proposals must submit separate Proposals for each Alternate Proposal according to the procedures noted in Section I.3 of this Attachment I.
- The portal registration deadline is Thursday, February 7, 2019 at 3 pm ET.
- The electronic application system closes promptly at 3 pm ET on Thursday, February 14, 2019. Incomplete application submissions will be locked after 3 pm ET.
- Incomplete applications may be subject to disqualification. The Proposer is responsible for ensuring that all required documentation has been included in the application.

I.1 ORECRFP18-1 Webinar

NYSERDA will host a webinar on the RFP and the application process for potential proposers on Thursday, November 29, 2018 at 10:00 a.m. ET. [Register for the ORECRFP18-1 webinar online.](#)

I.2 Accessing the NYSERDA Portal

Prospective Proposers are encouraged to submit a Notice of Intent to Submit Proposal, which is attached as Appendix A to this RFP. NYSERDA will email updates regarding this RFP to prospective Proposers who submit a Notice of Intent to Submit Proposal. This does not relieve prospective Proposers of their responsibility to check the NYSERDA OREC procurement website for news and updates. Prospective Proposers who submit a Notice of Intent to Submit Proposal are not obligated to submit a Proposal, and Proposals will be accepted from parties who do not submit a Notice of Intent to Submit Proposal. The Notice of Intent to Propose form should be sent to no later than 02:59 pm ET on December 20, 2018 to offshorewind@nyserda.ny.gov using the subject line: Notice of Intent to Propose.

I-1

II. Salesforce Portal Registration February 7th, 2019 3 p.m. ET

NYSERDA

PORTAL REGISTRATION

Please register below with the main company information, not the sub-entity (LLCs, Inc, etc.) information.

Company Information

Company Name *	My Company is Outside of the United States & Canada <input type="checkbox"/>
<input type="text"/>	<input type="checkbox"/>
Address 1 *	Address 2
<input type="text"/>	<input type="text"/>
City *	State *
<input type="text"/>	--None-- <input type="button" value="v"/>
Zip *	
<input type="text"/>	

Contact Information

First Name *	Last Name *
<input type="text"/>	<input type="text"/>
Title *	Email *
<input type="text"/>	<input type="text"/>
Phone *	
<input type="text"/>	

CREATE

https://portal.nyserda.ny.gov/Core_Registration_Page?programName=Offshore_Wind

III. Proposal Submission February 14th, 2019 3 p.m. ET



To access this page, you have to log in to NYSERDA Portal.

Username

Password

Log In

[Forgot Your Password?](#)

[Sign Up](#)

NYSERDA employee? [Log In](#)

<https://portal.nyserda.ny.gov/login>



Organization and Submission of the Proposal

I. Creating Multiple Proposals:

Home Submit a New Application Projects Project Invoices Manage Users Dashboards

Offshore Wind

Our records indicate that you have one or more existing records that for this solicitation. Before you proceed, please indicate whether you would like to make changes to an existing record or create a new submission.

Proposals - Would you like to make changes to an existing record?

Action	Primary Contact	Proposal Title	Round	Proposal Budget	Status
Edit	Offshore Portal User	Required Base Proposal	1		Unsubmitted
Edit	Offshore Portal User	Required Transmission Proposal	1		Unsubmitted
Edit	Offshore Portal User	Alternate Proposal #1	1		Unsubmitted

OR

[CREATE A NEW SUBMISSION](#)

II. Required Documents per Proposal:

Document Name	Add / Update Document	Recent Uploaded Document	Uploaded History	Status
Offer Data Form *	<input type="button" value="Choose File"/>	No file chosen		
Confidential Proposal Narrative *	<input type="button" value="Choose File"/>	No file chosen		
Public Proposal Narrative *	<input type="button" value="Choose File"/>	No file chosen		
Proposer Certification *	<input type="button" value="Choose File"/>	No file chosen		
Agreement *	<input type="button" value="Choose File"/>	No file chosen		
Master Offers Form *	<input type="button" value="Choose File"/>	No file chosen		

Document Name	Add / Update Document	Recent Uploaded Document	Uploaded History	Status	Remove
ADD ANOTHER DOCUMENT					

III. Naming Conventions:

Document Name	Naming Convention
Offer Data Form	ProposerName_ProposalName_OfferDataForm
Confidential Proposal Narrative	ProposerName_ProposalName_ConfidentialProposalNarrative
Public Proposal Narrative	ProposerName_ProposalName_PublicProposalNarrative
Proposal Certification Form	ProposerName_ProposalName_ProposalCertificationForm
Master Offers Form	ProposerName_ProposalName_MasterOffersForm

Note: Individual file sizes capped at 100MB

Organization and Submission of the Proposal

Checklist 1: Submission Package Overview:

Submission Package	Submission Fees	Confidential Version (per Proposal)	Public Version (per Proposal)
<ul style="list-style-type: none"> Required Base Proposal Required Transmission Proposal (if included in the Required Base Proposal, then this is not necessary) Alternate Proposal(s) (optional) 	<ul style="list-style-type: none"> Required Base Proposal Fee (includes Required Transmission Proposal) Alternate Proposal Fee(s) (as appropriate) <p>ORECRFP 18-1 § 1.5</p> <p>Calculated via the MOF</p>	<ul style="list-style-type: none"> Offer Data Form (ODF) Proposal Narrative (per Proposal as applicable, including related attachments, see Checklist 2 below) Proposal Certification Form (RFP Appendix B) Agreement (optional, redline to RFP Appendix F, please refer to Section 6.6 of the RFP) Master Offers Form (representative for all Proposals) 	<ul style="list-style-type: none"> Proposal Narrative (including related attachments, see Checklist 2, below)

Public Versions will be published to NYSERDA's 2018 Solicitation Website

Note: As "required files" in NYSERDA's Salesforce architecture, while they may be common to all Proposals, replicates of these files will need to be submitted in support of each individual Proposal to file a complete package.

Proposal Narrative

Checklist 2: Proposal Narrative Package: Submission package to be completed for the Proposal Narrative of each individual Proposal (confidential and public versions duly marked per Section 3.3 of this Appendix I). The Proposal Narrative must be organized per Section 6.4 of the RFP. Subsections of the RFP are listed below for convenience. Attachment filenames should respect the convention noted in Section I.3.3 above with the logical extension per the subject as below to facilitate review.

- Executive Summary of the Proposal (§6.4.1)
- Proposer Experience (§6.4.2)
- Project Description and Site Control (§6.4.3)
- Energy Resource Assessment and Plan (§6.4.4)
- Operational Parameters (§6.4.5)
- Business Entity and Financing Plan (§6.4.6)
- Interconnection and Deliverability (§6.4.7)
- Environmental Assessment and Permit Acquisition Plan (§6.4.8)
- Engineering and Technology (§6.4.9)
- Project Schedule (§6.4.10)
- Construction and Logistics (§6.4.11)
- Fisheries Mitigation Plan (§6.4.12)
- Environmental Mitigation Plan (§6.4.13)
- Community Outreach Plan (§6.4.14)
- Visibility and Viewshed Impacts (§6.4.15)
- Economic Benefits Plan (§6.4.16) *(Note: corresponding narrative to Offer Data Form tables V1, V2, and V3 and, if applicable, corresponding narrative to Offer Data Form tables V1C, V2C, and V3C)*

Should satisfy the evaluation criteria detailed in Section 3.2 and provide a detailed and complete account per the Proposal Narrative descriptions in Section 6.4 of ORECRFP18-1.

Public and Confidential versions should be duly marked.

Offer Pricing Forms

Final

Offer Data Form
 NYSERDA RFP No. ORECRFP18-1
 Part I - Identification Worksheet

The following information must be identical to that provided on the Master Offers Form:

Proposer Name

Offshore Wind Generation Facility Name

BOEM Renewable Energy Lease Number

Does this ODF include the Required Base Proposal?
(If "No", enter Offer Data Form ID Name below.)

Offer Data Form ID Name

Offer Capacity (MW)

Injection Point Control Area

List the Offer Data Form ID names of Proposals that would be withdrawn upon acceptance of a Proposal price/tenor offer in this Offer Data Form. *(Separate with semi-colons.)*

List the Offer Data Form ID names for which one of its Proposal price/tenor offers must be accepted as a pre-condition for acceptance of a Proposal price/tenor offer in this Offer Data Form. *(Separate with semi-colons.)*

Price/Tenor Offer types included: *This information is imported from the Pricing Worksheet (Part IV).*

Type	Description	Included
1	Level Pricing, 25-year Tenor	0
2	Level Pricing, 20-year Tenor	0
3	Non-Decreasing Pricing, 25-year Tenor	0
4	Non-Decreasing Pricing, 20-year Tenor	0
Total number of Price/Tenor Offers included		0

Final

Master Offers Form
 NYSERDA RFP No. ORECRFP18-1

Provide the following information applicable to all offers submitted:

Proposer Name

Offshore Wind Generation Facility Name

BOEM Renewable Energy Lease Number

Proposals:

Offer Data Form ID Number	Offer Data Form ID Name	Offer Capacity (MW)	Injection Point Control Area	List of Other Offer Data Form ID Numbers		Number of Price/Tenor Offers
				Precluded	Required	
1	Required Base					
2						
3						
4						
5						
6						
7						
8						
9						
10						
Required Transmission Proposal?			TRUE			

Excel file name of each Offer Data Form must contain the respective text entered above in the Offer Data Form ID name field.

Proposals Fee Calculation:

	Unit Fee	Number of Proposals	Extended Fee
Basic Proposal Fee, includes Required Base Proposal and Required Transmission Proposal		2	\$300,000
Alternative Proposals, with different capacity, Injection Point control area, technical configuration, or commercial operation date	\$40,000	0	\$0
Alternative Proposals, with different pricing/tenor only	\$20,000	-2	(\$40,000)
Total		0	\$260,000

ORECRFP18-1:
Appendix G: Offer Data Form
One for each distinct Proposal per §2.1.2

Appendix H: Master Offers Form
One consolidated form representing the entire Proposal package

Proposal Certification

Appendix B

Proposal Certification Form

A Proposal will be considered incomplete unless the required signature is provided.

Proposal Title as Submitted to NYSERDA: _____

I, the undersigned certify that I am an Officer or otherwise authorized representative of the Proposer, that I am authorized to commit my organization to this Proposal and that all statements herein are true and accurate.

I understand that NYSERDA reserves the right to request additional information to confirm or clarify the information reported in this Proposal and to demonstrate the eligibility of this Project under the Offshore Wind Standard of the Clean Energy Standard, and I agree to provide any such information promptly. I also understand that NYSERDA and the Public Service Commission, or their authorized agents, may audit any applicant to verify the accuracy of any information included as part of this Proposal. I further understand that NYSERDA must be notified promptly of any material change in the information provided in this Proposal. I understand that final verification of this information will be required before the first payment under any contract awarded with NYSERDA can be made. I understand that failure to provide information as requested by NYSERDA, to allow an audit, or to accurately complete this Proposal may disqualify the Project identified in the Proposal from consideration under ORECRFP18-1.

I understand that confidential information about the Proposal may be shared with the NYISO or other Control Area authority identified in the Proposal, and/or owners of transmission facilities to which the Project may interconnect or on which upgrades may be required to effectuate deliverability of energy from the Project. Proposer also authorizes NYISO, other Control Area authority, and/or owners of transmission facilities to release information related to the Project which may otherwise be considered confidential under the relevant rules or policies of such organizations, to NYSERDA, NYSERDA Consultants, and the Scoring Committee, all of whom have entered non-disclosure agreements with NYSERDA.

I certify that the above information, and all information submitted in connection with State Finance Law §139-j and §139-k, is complete, true, and accurate, that I have read and reviewed the Standard Form Agreement issued as a part of ORECRFP18-1. I affirm that I understand and will comply with NYSERDA's procedures under §139-j(3) and §139-j(6)(b) of the State Finance Law. I understand that this application may be disqualified if the requirements are not met.

In accordance with Section 2878 of the New York State Public Authorities Law, Proposer warrants, under penalty of perjury, that its Proposal was arrived at independently and without collusion aimed at restricting competition; and that the proposal constitutes a firm and binding offer, for a period of at least 180 days from the date that Proposals are due under ORECRFP18-1.

Proposer's Authorized Representative: _____

Representative Title: _____

Representative Signature: _____

Date of Signature: _____

ORECRFP18-1 – Appendix B

- Proposer must complete and submit the Proposal Certification in Appendix B.
- The Proposal Certification must be signed (per Proposal) by an authorized officer or other duly authorized representative of Proposer.

Exceptions to Agreement

ORECRFP18-1 – APPENDIX F

OFFSHORE WIND RENEWABLE ENERGY CERTIFICATE
STANDARD FORM
PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

AND

[NAME OF SELLER]

Dated: _____, 2019

ORECRFP18-1 – Appendix F – Offshore Wind Renewable Energy Certificate Standard Form Purchase and Sale Agreement

- **Optional** to provide a redlined markup to Appendix F and an explanation and justification for each proposed change
- Limited ability to alter the terms of the Agreement
- No impact on scoring or evaluation of the Proposal

General Conditions – I/II

State Finance Law Sections 139-j & 139-k

Proposer must certify that he/she will comply with State Finance Law sections 139-j and 139-k and a provide disclosure statement regarding whether Proposer has been found non-responsible under section 139-j of the State Finance Law within the previous four years.

Tax Law Section 5-a

Prior to entering an agreement with NYSERDA >\$100,000, Proposer to certify to the Department of Taxation and Finance whether the contractor, its affiliates, its subcontractors and the affiliates of its subcontractors have registered with the Department to collect New York State and local sales and compensating use taxes. **ST-220-TD**

http://www.tax.ny.gov/pdf/current_forms/st/st220td_fill_in.pdf.

Omnibus Procurement Act of 1992

New York State policy to maximize opportunities for the participation of New York State business enterprises, including minority- and women-owned business enterprises, as Proposers, subcontractors, and suppliers on its procurement Agreements. **Information and Directories per Section 8.4.**

General Conditions – III/III

Proprietary Information (§8.1)

Consideration should be given before confidential information is submitted to NYSERDA as part of any Proposal. Proposers should consider and review whether information is critical for evaluation, and whether general, non-confidential information may be adequate for review and evaluation purposes. The NYS Freedom of Information Law, Public Officers law, Article 6, provides for public access to information NYSERDA possesses.

Information submitted to NYSERDA that Proposer wishes to have treated as proprietary, and confidential trade secret information, should be identified and labeled "Confidential" or "Proprietary" on each page at the time of disclosure. This information should include a written request to except it from disclosure, including a written statement of the reasons why the information should be excepted.

- **Committee on Open Government website:** <http://www.dos.state.ny.us/coog/foil2.html>
- **Public Officers Law, Section 89(5)**
- **21 NYCRR, Part 501:** <http://www.nyserda.ny.gov/en/About/~media/Files/About/Contact/NYSERDARegulations.ashx>

Press Releases and Media Contact (§8.6)

Proposer shall not distribute any press release or contact the media until after the Agreement is executed by both parties and any New York State press releases regarding the awards have been issued. NYSERDA reserves the right to make public, after the fifth anniversary of the Award Notification Date, the Agreement executed with any awarded Project.

ORECRFP18-1: Evaluation Overview, Viability, Economic Benefits, and Price Evaluation

Matt Vestal, Technical Advisor

Evaluation Overview

Scoring Committee

NYSERDA will engage a Scoring Committee comprised of experts in electricity markets and renewable energy project design, NYSERDA staff members, and member(s) of the New York State Department of Public Service.

Recognizing further the highly specialized nature of various aspects of this Solicitation, the Scoring Committee may be further supported by non-scoring technical and sectoral experts in such diverse areas as:

- **Economic Benefits and Job Creation**
- **Transmission and Interconnection**
- **Ports and Infrastructure Investments**
- **Environmental Mitigation Plans**
- **Fisheries Mitigation Plans**

All members of the Scoring Committee will be duly screened for conflict.

The Scoring Committee will evaluate Proposals to determine whether they meet each of the eligibility requirements defined in §2.1. Proposals that fail to meet these requirements may be ineligible for an award.

Evaluation Overview

Scoring System

NYSERDA will employ a scoring system that weights price and non-price factors, for a maximum total of 100 points, as follows:

10% Project Viability – Non-Price Evaluation

20% New York Economic Benefits – Non-Price Evaluation

70% Offer Prices: Price Evaluation

The Scoring Committee will award points for the non-price evaluation components of each Proposal (project viability and New York economic benefits).

NYSERDA RESERVES THE RIGHT TO REJECT OR ACCEPT ANY OR ALL PROPOSALS.

Non-Price Evaluation: Project Viability (10%)

The project viability evaluation considers a series of factors that demonstrate whether the proposed Project can reasonably be expected to be in service on or before the proposed Commercial Operation Date and remain operational through the Contract Deliver Term.

To maximize the score received under this scoring component, Proposers must:

- provide evidence that Project development plans are sufficiently mature, and technically and logistically feasible;
- that Proposers have sufficient experience, expertise, and financial resources to execute the development plans in a commercially reasonable and timely manner; and
- that the Project as proposed can be developed in a manner which is sensitive to ocean users and coastal communities.

Project Viability categories to be evaluated by the Scoring Committee include:

- 3.2.1 Permitting Plan and Status
- 3.2.2 Financing Plan
- 3.3.3 Developer Experience
- 3.3.4 Proposed Technology
- 3.2.5 Development and Logistics Plan
- 3.2.6 Interconnection and Delivery
- 3.2.7 Proposed Commercial Operation Date
- 3.2.8 Community Outreach
- 3.2.9 Fisheries and Environmental Mitigation Plans
- 3.2.10 Visibility and Viewshed Impacts
- 3.2.11 Energy Resource Assessment

Non-Price Evaluation: Economic Benefits (20%) I/II



- **Incremental Economic Benefits**

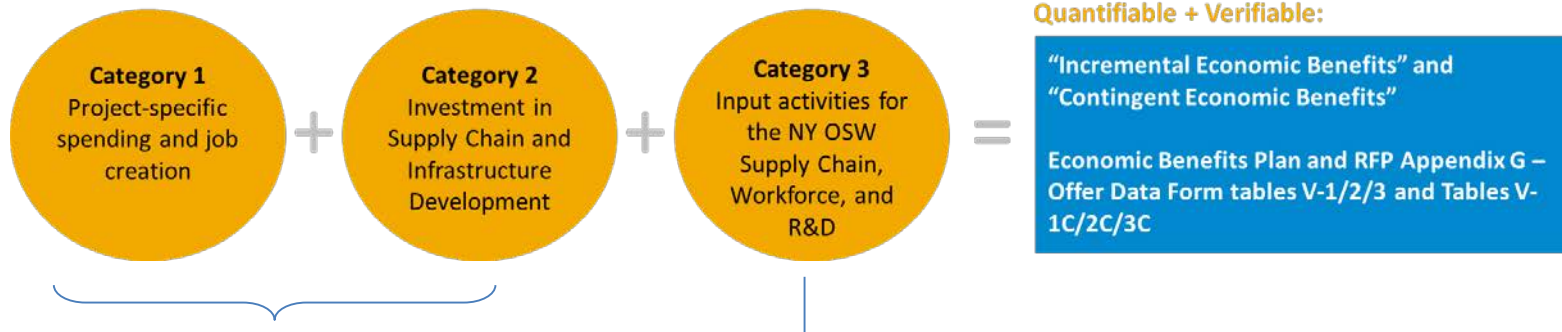
Those economic benefits within the categories specified in **Appendix C** that a Proposer can demonstrate: (1) will accrue subsequent to an award under this RFP, (2) would not have accrued **but for** the award of a contract under this RFP, and (3) are not contingent on the support, funding, investment, or cooperation of New York State or its instrumentalities.

- **Contingent Economic Benefits**

Contingent Economic Benefits claims include those that are contingent on support, funding, investment, or cooperation of New York State or its instrumentalities, related to the development, refurbishment, or expansion of port facilities in New York State that are **in addition to** New York State’s standard economic development support and incentive programs

[\[https://esd.ny.gov/industries/cleantech-and-renewable-energy\]](https://esd.ny.gov/industries/cleantech-and-renewable-energy). Any Contingent Economic Benefits claim should align with needs identified by New York State through its Jobs and Supply Chain Technical Working Group.

Non-Price Evaluation: Economic Benefits (20%) II/II



Categories 1 and 2

to facilitate comparison by the Scoring Committee between Project submissions with larger or smaller Offer Capacities, the total of such adjusted claimed expenditures and investments will be unitized by **dividing each Proposal's eligible claims by the Offer Capacity** offered in the Proposal.

Category 3

Proposals will be assessed on the scale of the likely impact of the proposed actions and the firmness of the commitments. Proposals will be scored on the number, range, maturity, firmness, and credibility of the commitments being made and the scale of the potential benefits. In awarding points in Category 3, the Scoring Committee will consider the:

1. nature, quantity and importance of the proposed claims;
2. effectiveness of the approach to developing the proposed claims;
3. supporting documentation to substantiate the nature, firmness and maturity of their commitments, including, for example, letters of support, memoranda of understanding, letters of intent, option agreements, or binding contracts.

For evaluation purposes, additional weight will be attributed by the Scoring Committee to those expenditures and investments that are firm and credible and that create persistent and sustainable institutional or worker capabilities in New York State, as well as those expenditures and investments expected to lower the cost of future offshore wind projects, both to the State and the region.

Price Evaluation (70%) I/III

Two separate offer prices are required for each Proposal. One offer will be for a **Fixed OREC price**, and the other will be for an adjustable OREC price based on an offer strike price using an **Index OREC price**. The two offers will be weighted according to the procedure noted in **Section 4.3**, and **the price component of the Proposal will be scored based on the combined weighted value of both offers.**

NYSERDA may select either price structure as the Applicable OREC Price Method. NYSERDA's decision will be based upon NYSERDA's projection of the different relative costs of the Fixed ORECs and Index ORECs over the life of the contract.

If NYSERDA selects the Fixed OREC Price, the Fixed OREC Price shall remain the Applicable OREC Price Method for the entire Contract Delivery Term. If NYSERDA selects the Index OREC Price, the Index OREC Price shall remain the Applicable OREC Price Method unless and until such Index OREC Price is invalidated, as further described in **Section 4.01 of the Agreement.**

Price Evaluation (70%) II/III

Fixed OREC

$$\text{Monthly OREC Price} = \text{OSP}^{\text{Fixed}}; \text{OSP}^{\text{Fixed}} = \text{Fixed OREC Strike Price } (\$/\text{MWh})$$

Index OREC

$$\text{Monthly OREC Price} = \text{OSP}^{\text{Index}} - \text{REP} - \text{RCP};$$

$$\text{OSP}^{\text{Index}} = \text{Index OREC Strike Price } (\$/\text{MWh})$$

$$\text{REP} = \text{Reference Energy Price } (\$/\text{MWh})$$

$$\text{RCP} = \text{Reference Capacity Price } (\$/\text{MWh})$$

$$\text{RCP} = \frac{\text{RUP} \times \text{UPF} \times \text{IC} \times 1,000}{\text{OQ}}$$

$$\text{RUP} = \text{Reference UCAP Price } (\$/\text{kW} - \text{month})$$

$$\text{UPF} = \text{UCAP Production Factor (decimal fraction)}$$

$$\text{IC} = \text{Installed capacity (ICAP) of the generator (MW)}$$

$$\text{OQ} = \text{Metered delivered energy (MWh)}$$

38% or Proposal-specific value for winter/summer capability periods

Type	Description	Included
1	Level Pricing, 20-year Tenor	0
2	Level Pricing, 20-year Tenor	0
3	Non-Decreasing Pricing, 20-year Tenor	0
4	Non-Decreasing Pricing, 20-year Tenor	0
Total number of Pricing Offers Included		5

Appendix G: Offer Data Form

Price Evaluation (70%) III/III

Levelized Net OREC Cost (LNOC)

$$LNOC_p = \frac{PVNOC_p}{PVOQ_p}$$

I. Hybrid LNOC Index Value

The dual Fixed OREC and Index OREC offer strike prices will be evaluated with a hybrid LNOC calculated by using constant weighting factors to combine the separate LNOC values for the Fixed OREC and Index OREC forms of pricing.

Weighting factors: **0.1 for the Fixed OREC LNOC**
 0.9 for the Index OREC LNOC

II. Benchmark LNOC Price

Prices in excess of Benchmark LNOC will be ineligible for award

$PVNOC_{p,Fixed}$ = PV of Net OREC Cost for Proposal p , pricing form Fixed (\$ PV)

$$= \sum_{y=2019}^{y=2050} \left\{ \sum_{m=1}^{m=12} OSP_{p,m,y}^{Fixed} \times OQ_{p,m,y} \right\} \div (1 + NDR)^{(y-Y_b)}$$

$PVNOC_{p,Index}$ = PV of Net OREC Cost for Proposal p , pricing form Index (\$ PV)

$$= \sum_{y=2019}^{y=2050} \left\{ \sum_{m=1}^{m=12} (OSP_{p,m,y}^{Index} - RPE_{m,y}^{Pred} - RPC_{m,y}^{Pred}) \times OQ_{p,m,y} \right\} \div (1 + NDR)^{(y-Y_b)}$$

$PVOQ_p$ = PV of OREC delivery quantities for Proposal p (MWh)

$$= \sum_{y=2019}^{y=2050} \left\{ \sum_{m=1}^{m=12} OQ_{p,m,y} \right\} \div (1 + RDR)^{(y-Y_b)}$$

$OQ_{p,m,y}$ = OREC delivery quantity for Proposal p applicable to month m of calendar year y (OREC or MWh)

$RPE_{m,y}^{Pred}$ = Predicted Reference Energy Price index for month m in calendar year y (nominal \$/MWh)

$RPC_{m,y}^{Pred}$ = Forecasted Reference Capacity Price index for month m in calendar year y (nominal \$/MWh)

NDR = Nominal Discount Rate (decimal)

INF = Inflation Rate (decimal)

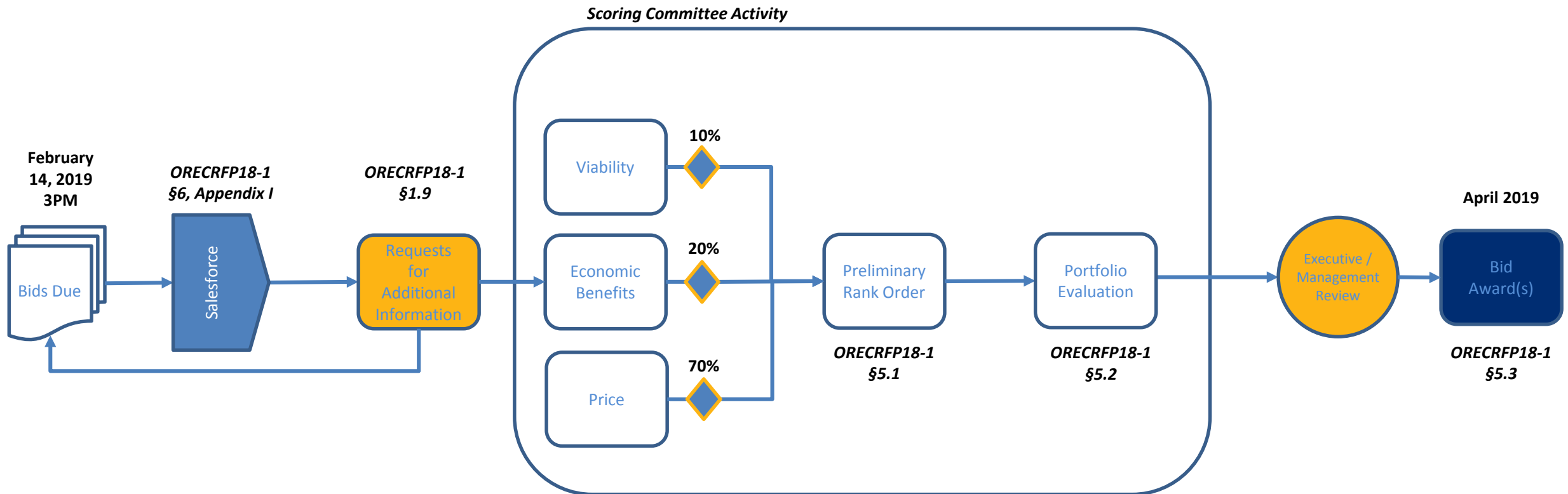
$RDR = (1 + NDR) / (1 + INF) - 1$ = Real Discount Rate

Y_b = Base year for cost and PV

NDR = 6.55%
INF = 2.0%

Preliminary Ranking, Portfolio Evaluation and Final Award Group

NYSERDA RESERVES THE RIGHT TO REJECT OR ACCEPT ANY OR ALL PROPOSALS.



Note: Conceptual Diagram, For Discussion Purposes Only

ORECRFP18-1: Contract Commitments Relating to Considerations Identified in the Offshore Wind Order

Greg Lampman
Program Manager, Environmental Research

Contract Commitments Relating to Considerations Identified in the Offshore Wind Order (Case No. 18-E-0071)

- Fisheries Mitigation and Environmental Mitigation Plans
- Consultation with New York State Agencies
- Participation in NYSERDA Technical Working Groups (TWGs)
- Site and Environmental Transparency
- Lighting Controls
- New York State Supplier Opportunity

Appendix D

Elements of the Fisheries Mitigation Plan

As stated in Section 2.2.7 of the RFP, the Proposer must submit as part of its Proposal, a Fisheries Mitigation Plan ("Plan"). The aim is to balance the interests of responsible offshore wind energy development with important commercial and recreational fishery resources and uses that may be present in the Project area. The Plan should detail, to the extent practical, specific measures the Proposer will take to avoid, minimize, and/or mitigate potential impacts of the Project on fish and fisheries. Where specific measures are not known for a specific category of impact at the time of proposing, the Plan must describe how the Proposer will work collaboratively with the State, federal agencies and other stakeholders to define avoidance, minimization, and mitigation measures. The Plan should provide a roadmap for the fisheries work to be included in the Project's development and operation, and provide a degree of certainty that the Proposer is committed to working collaboratively with stakeholders to develop a cost-effective and responsible Project.

The fisheries mitigation hierarchy should be an organizing principle of the Fisheries Mitigation Plan. More specifically, the mitigation hierarchy can help Projects prepare for impacts and aim to achieve no net loss of revenue to commercial fishers. It involves a sequence of actions to anticipate and *avoid* impacts on fish and fisheries; where avoidance is not possible, to *minimize* such impacts; when impacts are predicted to occur notwithstanding the implementation of practical avoidance and mitigation measures, to *rehabilitate or restore* fisheries or fishing revenue; and where significant residual impacts are predicted to remain, *offset* such impacts. The Plan must account for potential adverse impacts of all phases and components of a Project, including pre-construction surveys, construction, operation, and, to the extent practical, decommissioning; and including turbines, cables, substations, and, if applicable, collector platforms.

The submitted Fisheries Mitigation Plan is a starting point that will necessarily evolve throughout the development process based on feedback from State and federal regulators, and stakeholders. The submitted Fisheries Mitigation Plan, and its future iterations, do not supplant or alter the federal regulatory process, rather they become the organizing document for State consultations and stakeholder engagement around the proposed project's development and the associated federal process. While this RFP allows for flexibility to Proposers in devising avoidance, minimization and restoration/offset measures, some specific measures that will be required of all Projects are identified and must be included in the Proposer's Plan. The Plan may include alternative measures that can be selected and refined based on stakeholder consultation as planning and Project development progresses.

Required elements of the submitted Plan are set forth below.

D.1 Fisheries Mitigation Plan Summary

The Proposer must briefly present its philosophy and approach to avoiding, minimizing, restoring and offsetting the potential fisheries impacts of the proposed Project and how the Proposer will use

Appendix E

Elements of the Environmental Mitigation Plan

As stated in Section 2.2.8 of the RFP, the Proposer must submit as part of its Proposal an Environmental Mitigation Plan ("Plan"). The Environmental Mitigation Plan should detail, to the extent practical, specific measures the Proposer will take to avoid, minimize, and/or mitigate potential environmental impacts of the proposed Project in the categories identified below. Where specific measures are not known for a specific category of impact at the time of proposing, the Environmental Mitigation Plan must describe how the Proposer will work collaboratively with the State, federal agencies, and other stakeholders to define avoidance, minimization, and mitigation measures. The Plan should provide a roadmap for the environmental work to come and provide a degree of certainty that the Proposer is committed to working collaboratively with stakeholders to develop a cost-effective and environmentally responsible Project.

The mitigation hierarchy should be an organizing principle of the Environmental Mitigation Plan. More specifically, the mitigation hierarchy can help Projects prepare for impacts and aim to achieve no net loss of biodiversity. It involves a sequence of actions to anticipate and *avoid* impacts on biodiversity and ecosystem services; where avoidance is not possible, to *minimize* such impacts; when impacts are predicted to occur notwithstanding the implementation of practical avoidance and mitigation measures, to *rehabilitate or restore* ecosystems; and where significant residual impacts are predicted to remain, *offset* such impacts. The Plan must account for potential adverse impacts of all phases and components of a Project, including pre-construction surveys, construction, operation, and, to the extent practical, decommissioning; and including turbines, cables, substations and, if applicable, collector platforms.

The submitted Environmental Mitigation Plan is a starting point that will necessarily evolve throughout the development process based on feedback from State and federal regulators, and stakeholders. The submitted Fisheries Mitigation Plan, and its future iterations, do not supplant or alter the federal regulatory process, rather they become the organizing document for State consultations and stakeholder engagement around the proposed project's development and the associated federal process. While this RFP allows for flexibility to Proposers in devising avoidance, minimization, and restoration/offset measures, some specific measures that will be required of all Projects are identified and must be included in the Proposer's Plan.

Required elements of the submitted Plan are set forth below.

E.1 Environmental Mitigation Plan Summary

The Proposer must briefly present its philosophy and approach to avoiding, minimizing, restoring and offsetting the potential environmental impacts of the proposed Project and how the Proposer will use research, data and stakeholder feedback to support decision making with respect to site design, construction, operations and decommissioning.

Contract Commitments Relating to Considerations Identified in the Offshore Wind Order (Case No. 18-E-0071)

- Fisheries Mitigation and Environmental Mitigation Plans
- **Consultation with New York State Agencies**
- Participation in NYSERDA Technical Working Groups (TWGs)
- Site and Environmental Transparency
- Lighting Controls
- New York State Supplier Opportunity



Contract Commitments Relating to Considerations Identified in the Offshore Wind Order (Case No. 18-E-0071)

- Fisheries Mitigation and Environmental Mitigation Plans
- Consultation with New York State Agencies
- **Participation in NYSERDA Technical Working Groups (TWGs)**
- Site and Environmental Transparency
- Lighting Controls
- New York State Supplier Opportunity

Advancing interactions between stakeholders



Contract Commitments Relating to Considerations Identified in the Offshore Wind Order (Case No. 18-E-0071)

- Fisheries Mitigation and Environmental Mitigation Plans
- Consultation with New York State Agencies
- Participation in NYSERDA Technical Working Groups (TWGs)
- **Site and Environmental Transparency**
- Lighting Controls
- New York State Supplier Opportunity

Site and Environmental Data Transparency (see § 2.2.5)

Proposers must agree to make publicly available any information or data and supporting metadata that is developed in furtherance of a Project and relates to environmental characteristics, or use by wildlife, of any offshore, nearshore or onshore areas, as well as any data sponsored or developed by a contract awardee relating to the potential impacts of the construction, operation, or decommissioning of a Project on the environment and wildlife of such areas (“**Site and Environmental Data**”).

Site and Environmental Data includes information that a contract awardee develops **before, during, and after this RFP process**, and includes information relating to:

1. Air quality and emissions
2. Water quality
3. Fish and fish habitats
4. Birds and bats
5. Marine mammals and sea turtles
6. Benthic communities

Contract Commitments Relating to Considerations Identified in the Offshore Wind Order (Case No. 18-E-0071)

- Fisheries Mitigation and Environmental Mitigation Plans
- Consultation with New York State Agencies
- Participation in NYSERDA Technical Working Groups (TWGs)
- Site and Environmental Transparency
- **Lighting Controls**
- New York State Supplier Opportunity

Lighting Controls (§2.2.6)

Proposers must agree to install lighting controls to minimize nighttime visibility. NYSERDA will require that any wind turbines installed by a contract awardee in furtherance of such Contract employ **aircraft detection lighting systems (“ADLS”)** in order to meet Federal Aviation Administration obstruction lighting requirements while minimizing lighting-related visual impact and impacts on avian species. In the event that ADLS systems do not meet Federal Aviation Administration Requirements or another technology produces a better outcome, the best available approved technology may be used upon consultation and approval of NYSERDA. Inclusion of ADLS, or an alternative approved by NYSERDA, in a contract awardee’s COP submitted to BOEM will also be a requirement of any Contract.

Contract Commitments Relating to Considerations Identified in the Offshore Wind Order (Case No. 18-E-0071)

- Fisheries Mitigation and Environmental Mitigation Plans
- Consultation with New York State Agencies
- Participation in NYSERDA Technical Working Groups (TWGs)
- Site and Environmental Transparency
- Lighting Controls
- **New York State Supplier Opportunity**
<https://www.nyserdera.ny.gov/All-Programs/Programs/Offshore-Wind/Economic-Opportunities/Supply-Chain-Database>

The screenshot shows the NYSERDA website header with navigation tabs: Offshore Wind, Offshore Wind in New York State, Economic Opportunities (selected), Marine Ecosystems, Offshore Wind Solicitations, Studies and Surveys, and Connect with Us. Below the header is a sidebar menu with options: Workforce, Ports and Infrastructure, Vessel Services, R&D Consortium, and Supply Chain Database (selected). The main content area is titled "Supply Chain Database" and contains introductory text about offshore wind in the U.S. and New York's strengths in workforce, port infrastructure, and vessel services. A link "View the New York C" is visible at the bottom of the text.

New York Supplier Opportunity (see § 2.2.9)

Proposer (or its Major Suppliers) must communicate all opportunities for contracts with an anticipated contract value of \geq \$5 million to a New York State vendor list maintained by NYSERDA and must agree to provide New York companies with the opportunity to offer to provide goods and services, except for the provision of goods and services that cannot practically be performed by the New York State supply chain at this time.

Post-Award Process & Appendix F: Agreement

Peter Keane
Deputy General Counsel

Article II: Purchase and Sale of ORECs

ORECs

- Only products Seller is selling and NYSERDA is buying under this Agreement are **ORECs and all rights, title, and interest associated with those ORECs**. Seller is not selling to NYSERDA and NYSERDA is not purchasing any electric energy, capacity, or ancillary services associated with the Selected Project.
- The right, title, and interest to the ORECs NYSERDA is acquiring under this Agreement shall include perpetual and exclusive right to claim or represent the ORECs and the underlying Environmental Attributes and environmental benefits (reductions in emissions and/or pollution) resulting from the selected project and the Offshore Wind Standard and exclusive rights to sell, assign, transfer, or otherwise transact any of the ORECs NYSERDA acquires.

Maximum Project Capacity and Annual OREC Cap

- Seller shall deliver to NYSERDA the report of an Independent Engineer demonstrating that the Operational Installed Capacity of the Selected Project is no greater than the **Maximum Project Capacity (Offer Capacity x 1.05)**.
- NYSERDA to be notified of any intended offshore wind buildout within same lease area, and its differentiation and separate accounting from the Project
- NYSERDA is obligated to purchase from Seller only ORECs up to the maximum **Annual OREC Cap (1.1 x P10 Annual OREC Exceedance)**.
- Prior to Commercial Operation, with NYSERDA's written consent, Seller may adjust the P10 Annual OREC Exceedance (and, therefore, the Annual OREC Cap) to reflect changes in the technical or meteorological assumptions upon which the prior estimate was based or changes in the capacity of the Selected Project up to the Maximum Project Capacity. Seller retains ownership of and all rights to ORECs that exceed the Annual OREC Cap.

Transfer

- Seller shall transfer ORECs up to the Annual OREC Cap to the **NYSERDA NYGATS Account** on a monthly basis via a Forward Certificate Transfer. At the time of transfer by Seller to NYSERDA, the ORECs shall be free and clear of all liens, judgments, encumbrances and restrictions.

Article III: Electricity Delivery Requirements

Interconnection to the New York Control Area

- The Actual Production associated with the ORECs for Selected Projects that inject the energy generated by the Selected Project directly into the New York Control Area must either be:
 - (a) delivered into a market administered by the NYISO for end-use in New York State,
 - (b) delivered through a wholesale meter under the control of a utility, public authority or municipal electric company such that it can be measured, and such that consumption within New York State can be tracked and verified by such entity or by the NYISO, or
 - (c) delivered through a dedicated generation meter at the Delivery Point that shall be compliant with the requirements and standards stated in **Section 5.3 of the NYGATS Operating Rules**.

External Selected Project (“Wheeling”)

- The Actual Production associated with the ORECs for a Selected Project interconnecting in a control area adjacent to the New York Control Area shall be scheduled, delivered to, and settled in the NYISO energy market in each hour via the NYISO or on a bilateral basis to a New York State load-serving entity or end user.
- Seller shall provide the **North American Electric Reliability Corporation (NERC) tag** information from the **OATI (Open Access Technology International) System**, including tag fields **Sending and Receiving Control Areas (CA)** and **Purchasing/Selling Entity (PSE) Name and Number**, identifying within the notes section of the tag the Selected Project and the Selected Project’s **NYGATS ID number**.
- Compliance with this delivery requirement shall be **verified by NYGATS**, which shall require an attestation from the importer that the information contained in the NERC tag is accurate and identifies the electricity generated by the Selected Project as the electricity associated with the import.
- Delivery of electric energy during the Contract Delivery Term that complies with this External Selected Project Electricity Delivery Requirement will be sufficient to support the creation of ORECs by NYGATS.
- The number of ORECs created will be the lesser of the hourly energy delivered at the Delivery Point or the hourly meter reading of the Actual Production of the Selected Project measured at the Injection Point.
- **Bilateral Sales:** Electric energy from the selected project sold on a bilateral basis will produce ORECs and NYSERDA will purchase those ORECs provided that the energy is delivered into the NYCA in accordance with the delivery requirement.

Article IV, V: Pricing, Payment, and Adjustments I/II

Fixed or Index OREC Pricing

- Upon finalization of award to Seller, NYSERDA will notify Seller whether NYSERDA has selected Seller's Fixed OREC offer or Seller's Index OREC offer for award.

Index OREC Pricing

- For each month, the Index OREC Price shall equal the **Index OREC Strike Price** minus the **Reference Energy Price** minus the **Reference Capacity Price**.
- NYSERDA shall calculate the Reference Energy Price and the Reference Capacity Price for each month using NYISO day-ahead energy markets and monthly spot markets, respectively.
- Within fifteen (15) days after the conclusion of each month, NYSERDA shall inform Seller of the **Monthly OREC Price** for that month.

Invoicing, Payments, and Adjustments

- Seller shall submit monthly invoices for the ORECs transferred by Seller into the NYSERDA NYGATS Account and associated with the Actual Production in the prior month during the Contract Delivery Term.
- The amount payable to Seller with respect to each monthly invoice shall be **the product of: (a) the number of ORECs** associated with the Actual Production during the prior month and transferred to the NYSERDA NYGATS Account, **and (b) the Monthly OREC Price for the prior month**, up to the Annual OREC Cap
- For **Negative Monthly OREC Pricing**, NYSERDA shall make no payment to Seller for that month and instead shall record a Monthly Debit to be deducted from each subsequent month's payment by NYSERDA until the Monthly Debit is fully recovered. Any Monthly Debit that goes unrecovered for twelve months shall be settled by Seller in cash within 30 days of the conclusion of such twelve-month period, except that all Monthly Debts outstanding at the conclusion of the Contract Delivery Term shall be settled by Seller in cash within 30 days of the conclusion of the Contract Delivery Term.
- NYSERDA may conduct **true-up adjustments** reflecting NYGATS or NYISO true-up procedures based on actual metered production data measured at the Injection Point or Delivery Point and/or the number of ORECs transferred.

Article IV, V: Pricing, Payment, and Adjustments II/II

Changes in Law

- Change of Law:** In the event that the Index OREC Price is invalidated by a final, unstayed judgment of a court of competent jurisdiction, NYSERDA shall notify Seller that the **Applicable OREC Price shall be the Fixed OREC Price**. From the date that NYSERDA so notifies Seller until the end of the Contract Delivery Term, the Applicable OREC Price shall remain the Fixed OREC Price unless and until a change in Applicable Law occurs that once again renders the Index OREC Price lawful notwithstanding previously being held invalid.
- In the event that a change in Applicable Law after the Effective Date (i) **materially reduces NYISO Capacity Market revenues** available to offshore wind facilities that participate in the Offshore Wind Standard program, as a class, and (ii) **does not apply generally to all generation facilities in NYISO** but does apply selectively based on generator fuel type (such as through a minimum offer price requirement) or receipt of compensation for Environmental Attributes, **the Parties shall negotiate in good faith to agree mutually to amend the definition of Reference Capacity Price in this Agreement** to reflect a more accurate index capacity price for offshore wind facilities that receive compensation for environmental attributes, which shall be a Reference Capacity Price of zero in the event such change in Applicable Law has the effect of excluding offshore wind facilities that participate in the Offshore Wind Standard program from the NYISO Capacity Market; provided that this obligation to amend the Agreement shall apply **only if Seller has selected a UCAP Production Factor greater than zero**.
- In the event that a change in Applicable Law after the Effective Date **eliminates the NYISO Capacity Market entirely and without replacement, the Parties agree the Reference Capacity Price shall be zero**.
- In the event that a change in Applicable Law after the Effective Date **changes the price structure, zonal structure, or terminology used in either the NYISO Energy Market or NYISO Capacity Market** such that the calculation of Reference Energy Price or Reference Capacity Price as described in Section 4.03 of this Agreement becomes impossible or can no longer reasonably fulfill the objective of providing an index of market energy and capacity prices in the coastal and near-coastal areas of New York State, **the Parties shall negotiate in good faith to amend this Agreement** to make such conforming changes as are necessary to achieve that objective; provided that this obligation to amend the Reference Capacity Price shall apply **only if Seller has selected a UCAP Production Factor greater than zero**.

Article VI: Reporting

Documents within 30d of Award

- Seller to provide: certificates confirming corporate good standing; certificates confirming Seller's authority and resolutions; and rendering of the site layout plan (in **shapefile** format).

Monthly Reports

- Seller to provide Monthly Reports on **generation and delivery data** including detailed market accounting settlement
- Seller may be required to waive confidentiality from an energy market administrator or transmission/distribution system for the direct transfer to NYSERDA of transactional and/or delivery information and data pertinent to the verification of attribute creation and electricity delivery.

Quarterly Progress Reports

- Seller to provide quarterly Progress Reports following the Effective Date through commencement of the Contract Delivery Term including:
 - Progress in obtaining and securing environmental permits and local approvals
 - States of development and/or construction planning or activities
 - Status of the interconnection process between the Project and NYCA
 - Purchases, delivery, and/or installation of major equipment
 - Activities pursuant to the Community Outreach Plan
 - Status of Seller's activities associated with the New York State Supplier Opportunity
 - Updates to the Fisheries and Environmental Mitigation Plans
 - Estimated date for Commercial Operation
 - written attestation prepared by a New York State independent certified public accountant or other qualified party confirming that the Prevailing Wage requirement is being met

Seller to keep records through Agreement period + 7 years.

NYSERDA maintains the right to audit any and all books pertaining to the Agreement

Notifications

- Seller to provide notice within **10 days** of any event that could reasonably cause a material delay in any of the activities listed above.

Article XII: Economic Benefits, Fisheries, and Environmental Obligations

Economic Benefits Report and Verification

- According to **Appendix C** Seller to submit **Economic Benefits Report 3y + 120D** following commencement of the Contract Delivery Term, pursuant to definitions, processes, and best practices noted under **Appendix C.3 Post-Award Verification**.
- Economic Benefits Report shall calculate and verify the actual Economic Benefits and included in the Expected Total Dollars that have resulted from the Seller's activities.
- Contractual reporting and verification requirements for Contingent Economic Benefits will be negotiated separately following award to determine inclusion in the Expected Total Dollars and/or how such benefits will be included in the Economic Benefits Report and/or the determination of Economic Benefits Shortfall.

Economic Benefits Shortfall

- In the event of a Shortfall, Seller shall (1) provide NYSERDA with a plan to rectify the shortfall using reasonably comparable means; OR, (2) pay to NYSERDA the Economic Benefits Shortfall, OR (3) deducted shortfall against payments owed to Seller by NYSERDA under **Article IV: Pricing and Payment**.
- Agreement(s) awarded on the basis of contingent Economic Benefits Claims where corresponding agreements with such implicated parties **fail to conclude successfully within one year of project award**, this outcome will not be considered an Economic Benefits Shortfall. Rather, this Agreement will default to cover the conformed equivalent project but for the contingency of support by New York State.

Fisheries and Environmental Mitigation Plans

- Provided as **Exhibits E and F to the Agreement**, respectively
- To evolve as a result of the State Agency consultation and Technical Working Group participation
- To be amended from time to time pursuant to BOEM interactions and federal Site Assessment Plan (SAP) and Construction and Operations Plan (COP) review
- Updates noted in **Quarterly Progress Reports** to NYSERDA

Article XIII: Events of Default

Events of Default

- Warranties and Guarantees – Section 15.05
- Other Obligations – Sections 2.01, 2.03, 4.05, 6.04, 7.01 and 12.02 of this Agreement
- Voluntary Proceedings
- Involuntary Proceedings
- Interconnection
- Abandonment – other than transfer, Force Majeure (Article XVI), or Event of Default by Buyer
- Failure to Provide Additional Contract Security – Section 15.02
- Prevailing Wage Default – Section 18.10
- Failure to Make Payment

Effect of an Event of Default

- Non-defaulting Party shall be entitled to suspend performance of its obligations under this Agreement until the earlier of such time as
 - a) such Event of Default has been cured, OR
 - b) the non-defaulting Party has elected to terminate this Agreement pursuant to [Article XIV Termination](#).
- Notwithstanding the foregoing, for any default by Seller prior to commencement of Commercial Operation by the Selected Project (or portion thereof), NYSERDA shall be entitled only to Stipulated Damages pursuant to [Article XV, Section 15.07](#).

Article XVIII: Additional Provisions

Prevailing Wage (§18.10)

All laborers, workmen and mechanics (per NYS Labor Law Article 8) performing construction activities within the United States (including federal waters) with respect to the Project (including assembly, staging, installation, erection, and placement of the Project and its electrical interconnection as well as those construction activities related to start-up and commissioning of the Project) whether through long-term or short-term employment, **must be paid wages and benefits in not less than the Prevailing Rates.**

Project Labor Agreement (§18.11)

- Each awardee will be required to present to NYSERDA for its review, within 30 days of the date of the Bureau of Ocean Energy Management's (BOEM) approval of the Construction and Operation Plan (COP) for the Project, **a plan outlining its intentions with respect to the negotiation of a PLA** to cover all construction activities on the Project. A final PLA consistent with this Section shall be presented to NYSERDA for review and approval within 180 days of BOEM's approval of the COP for the Project.
- In the event that, after good faith negotiations and mediation, **NYSERDA determines that satisfactory completion of PLA negotiations is no longer practicable**, then NYSERDA may require the Seller to provide, in addition to the data and information otherwise to be maintained and that may be requested by NYSERDA pursuant to Sections 6.02, 6.04, 12.01 and 18.10, **(i) a workforce development plan, and (ii) a plan to implement, or information showing the completion of, appropriate worker safety training programs.**
- NYSERDA's review of any agreed-upon PLA will be based on the specific terms of the negotiated PLA and will take into account the best interests of NYSERDA with respect to the Project, and the public it serves, and will include consideration of Project viability, the cost-effectiveness of the PLA, and the need for timely Project completion.

ORECRFP18-1 Section 7 Post-Award Process

Provision of Contract for Execution, Contract Security

- NYSERDA will prepare a conformed copy of the **Agreement (Appendix F)** which will be delivered to the awarded Proposer, for Proposer's execution and return.
- Proposers will be required to provide **Contract Security** as described in **Article XV of the Agreement** via Cash/Cerified Funds/ or Letter of Credit per section 15.03, 15.04 (**Exhibit B**)

Section 15.01. Initial Contract Security

On or before the Effective Date, an amount equal to the product of the **Offer Capacity (in MW) x \$5,000**.

Section 15.02. Additional Contract Security

On or before January 1, 2023, an amount equal to the product of the **Uncompleted Offer Capacity (in MW) x \$20,000**. Every 12 months thereafter, Seller shall provide incremental additional Contract Security in an amount equal to the product of the **Uncompleted Offer Capacity (in MW) x \$10,000**, until such time as the Operational Installed Capacity equals to or exceeds the product of 0.95 multiplied by the Offer Capacity.

For the terms of Refund/Retention/or Damages related to the Security refer to Sections 15.04-15.07 of the Agreement.

Schedule – Reminder!

All Eastern Time (ET):

RFP Release Date	November 8, 2018
Proposers Conference	November 29, 2018, 10:00 a.m.
Deadline for Submission of Written Questions	December 6, 2018, 3:00 p.m.
Responses to Written Questions Posted	December 13, 2018
Deadline for Notice of Intent to Propose	December 20, 2018, 3:00 p.m.
Deadline for NYSERDA Portal Registration	February 7, 2019, 3:00 p.m.
Deadline for Submission of Proposals	February 14, 2019, 3:00 p.m.
NYSERDA Award Notification Date	April 2019
Contract(s) Executed	June 2019

offshorewind@nyserda.ny.gov

Questions?

Contact Us:

Website: nyscrda.ny.gov/offshorewind

Email: offshorewind@nyscrda.ny.gov



NYSERDA