

## 280MW Renewable RFP Q&A Log

#	Question	Response
1	I would like to understand if out-of-state biogas to pipeline natural projects can qualify for this RFP if the renewable natural gas can be transported into the state using common carrier pipelines to generate power within the state (or qualified states).	Any technology listed in the New York State Renewable Portfolio Standard is an eligible technology in this RFP, provided that it involves generation and transmission facilities that are directly connected to LIPA's system. The injection of biogas in interstate pipelines, by itself, would not be eligible.
2	<p>While the solicitation is for offers regarding sale of energy and capacity, there is a construction scope that will be part of each offer, which we assume is subject to the laws governing LIPA, as well as internal policies and union agreements. To that end, we would like to submit the following RFIs:</p> <p>1) Please confirm the prevailing wage requirements for new construction projects conducted on behalf of LIPA.</p> <p>2) Please confirm any existing union agreements to which LIPA is party and which must be honored for construction projects that result from awards under this RFP.</p>	<p>1) LIPA requires Respondents to comply with all applicable laws including Articles 8 and 9 of the NYS Labor Law. The NYS Labor Law does not define "public works" and LIPA cannot advise Respondents on whether the New York State Department of Labor would consider a contract for the sale of renewable power to LIPA to be a contract for public works. Respondents are encouraged to consult with their own legal advisors regarding compliance with all applicable laws.</p> <p>2) There are none.</p>
3	The RFP schedule indicates "Execution of Contracts – First Quarter 2016". Does this refer to signing of the PPA? If so, a late PPA signing schedule creates issues with regards to the (current) 2016 expiration of the federal ITC for solar. Can you provide some commentary on whether LIPA will consider an earlier timeframe for PPA execution?	Yes. The timeframe for execution is controlled largely by the schedule for completing an environmental review, as described in Section 6.13.1 of the RFP.

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4	<p>The direction provided in the RFP is pasted below. Therefore, I think we need to get a non-disclosure agreement in place so that we can discuss the potential POIs in greater detail. Please advise on the best path forward.</p> <p>3.2.2 Request for Transmission Data: Respondents may request certain transmission system data to assist them in developing their proposals. LIPA will provide interested Respondents a load flow, contingency list, and a one-line diagram around an electrical bus at a proposed interconnection point. Respondents should submit a request via the RFP website and will be required to execute a non-disclosure agreement.</p>	<p>The Non-disclosure Agreement is now posted on the LIPA website. Please complete the Agreement and submit it to the RFP mailbox: <a href="mailto:280mwrfp@lipower.org">280mwrfp@lipower.org</a>. Once this document is executed LIPA will be able to provide transmission data to your organization for specific installations.</p>
5	<p>Can you please explain by what process we can request and obtain LIPA transmission data related to the 280 MW Renewables RFP. I do not see instructions specific to this type of information request on the RFP website. Please forgive me if I have overlooked.</p> <p>Request for Transmission Data: Respondents may request certain transmission system data to assist them in developing their proposals. LIPA will provide interested Respondents a load flow, contingency list, and a one-line diagram around an electrical bus at a proposed interconnection point. Respondents should submit a request via the RFP website and will be required to execute a non-disclosure agreement</p>	<p>The Non-disclosure Agreement is now posted on the LIPA website. Please complete the Agreement and submit it to the RFP mailbox: <a href="mailto:280mwrfp@lipower.org">280mwrfp@lipower.org</a>. Once this document is executed LIPA will be able to provide transmission data to your organization for specific installations.</p>

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6	Per the "280 MW RFP", I am formally requesting information about the LIPA transmission and distribution grid. It sounds like the process for reviewing LIPA's grid map would require us to execute an NDA, which we are comfortable with. Does the utility have a form agreement it would like to use or shall I send the one we use?	The Non-disclosure Agreement is now posted on the LIPA website. Please complete the Agreement and submit it to the RFP mailbox: <a href="mailto:280mwrfp@lipower.org">280mwrfp@lipower.org</a> . Once this document is executed LIPA will be able to provide transmission data to your organization for specific installations.
7	I have been looking over your RFP documentation and I am wondering what your PPA structure will look like. What will the PPA price/kwh be? I am looking forward to seeing your "Preferred Form of 20-year Power Purchase Agreement (PPA)" document. When might that be available for review?	The PPA for this procurement will be available soon for Respondents review. The pricing structure is described in Section 6.10 of the RFP. Specific pricing must be proposed by the Respondent.
8	<ol style="list-style-type: none"> <li>1. We want to confirm the deadline to submit proposals is March 31 2013?</li> <li>2. Is there a maximum amount of megawatts per site that LIPA will accept?</li> <li>3. If the deadline for proposal is missed, can developers issue a proposal thereafter outside of this program?</li> </ol>	<ol style="list-style-type: none"> <li>1. The deadline for the submission of proposals is March 31, 2014.</li> <li>2. There is no site limit apart from the overall limits on capacity to be procured.</li> <li>3. Proposals for renewable resources submitted outside of the RFP will be treated in accordance with LIPA's SC No. 11 Buy-Back Tariff.</li> </ol>
9	Question regarding the 280 MW Renewable Energy RFP - How can a governmental entity offer existing town owned land in Calverton as a possible host site for a renewable energy project.	LIPA suggests that each such entity place upon their respective website, offers for lands available for development with regards to this RFP.

## 280MW Renewable RFP Q&A Log

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10	The RFP states that each proposal must have a single point of interconnection. This would seem to prohibit a bidder from proposing more than one <u>option</u> for interconnection in a single bid. However, in the situation where a proposed generation project exceeds the injection capacity of a single substation, or a bidder can demonstrate increased reliability benefits from spreading the injection over more than one substation, may the bidder propose interconnecting the generator into more than one substation simultaneously from the perspective of conforming with the requirements of the RFP?	There are two ways of addressing this issue: <ol style="list-style-type: none"> <li>1. If a given project exceeds the injection capability of the target substation then the T&amp;D infrastructure improvement costs will be factored into the overall project cost.</li> <li>2. The proposer could offer two separate and independent bids in order to connect at two different interconnection points.</li> </ol>
11	<p>Pg. 16 of the RFP states - "Proposals must comply with the NYISO Large or Small Generator Interconnection Procedures, as applicable. In keeping with LIPA's policy of non-discriminatory access to its transmission system, Respondents will be responsible for reimbursing LIPA (as Connecting Transmission Owner) for all attachment facilities and <u>system upgrades constructed and owned by LIPA.</u> Respondents may seek to recover such costs through PPA charges."</p> <p><u>Question</u> - In regard to the issue of the proposer's responsibility for all interconnection costs including system upgrades, may the proposer offer alternative solutions to system upgrades that would ensure deliverability of the energy and capacity from the proposed generation project (subject to NYISO and LIPA deliverability tests) but that would be constructed and owned by the proposer rather than being constructed and owned by LIPA?</p>	No.

## 280MW Renewable RFP Q&A Log

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12	My question is on wind past wind studies - LIPA has had its eyes on offshore wind for years. For example, it had proposed a project to install 40 turbines off the coast of Jones Beach, but it later terminated the project in 2007, citing factors such as strong local opposition and costs. The utility also teamed up with the New York Power Authority and Consolidated Edison on the New York City-Long Island Offshore Wind Project, a proposed 350 MW to 700 MW wind farm located off the Rockaway Peninsula. June 2011, LIPA also canceled withdrew their proposal. Was there ever any studies done on any of the possible sites? And if so, how could we possibly find them?	LIPA has no publicly available data in this regard.
13	Portfolio of existing hydro delivering energy and capacity to the POR of Cross Sound Cable in New Haven, CT. Capacity would be up to the full, uncommitted capability of the Cross Sound Cable, which is incremental to the NYISO 2012 Reliability Needs Assessment.	All capacity must be either located on Long Island or transmitted to Long island using a new transmission line.
14	Are Proposers correctly able to presume that their <i>yet-to-be-awarded</i> Site-specific/Project-specific LIPA Clean Solar Initiative 2012 FIT I and/or 2013 FIT II Applications are <u>not</u> precluded from also being proposed in response to this LIPA RFP?	Conditional bids will not be accepted. Any Proposal in FIT I or FIT II that is still under active consideration is not eligible to apply in this RFP.
15	Are solar projects already holding LIPA Clean Solar Initiative FIT I and/or II approved Applications_restricted from responding to this RFP with proposed expansions?	Expansions are eligible to bid if such expansion adds at least 2.0 MW, is separately metered and complies with all other terms of this RFP.

## 280MW Renewable RFP Q&A Log

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16	While the title of this RFP emphasizes <i>On Island</i> , RFP Section 2.1 Product Description 2.1.8 also states... <i>Projects must be electrically connected to the LIPA transmission and distribution system or provide a new transmission line or new transmission capacity onto Long Island...</i> which opens the door to <i>off-Island</i> outside NYISO Zone K responses to this RFP including out-of-NY off-shore wind and other renewable energy offers so long as they comply with this RFP's definition of renewable energy, viz a viz NY's Tier I Renewable Portfolio Standard as established in NYPSC's Order in Case 03-E-0188, correct?	Yes. Off-Island Proposals that are connected to the LIPA T&D system via new transmission lines are permissible.
17	While LIPA maintains in both its 2010-2020 Electric Resources Plan and in its Clean Solar Initiative 2012 FIT I and 2013 FIT II announcements that its current Renewable Energy Portfolio includes its 345MW Brookfield/Emera Bear Swamp/Jack Cockwell Pumped Storage Facility PPA, <i>pumped storage</i> is not, in fact, among the Tier I renewable energy technologies included NYPSC's Order in Case 03-E-0188, which specifically defines <i>Hydropower</i> as <30MW <i>Run-of-The-River</i> sources and therefore, <i>pumped storage</i> would <u>not</u> be considered among the qualifying renewable energy technologies under this RFP, which are limited to the Tier I technologies identified in NYPSC's Order in Case 03-E-0188, correct?	Correct.
18	<ol style="list-style-type: none"> <li>What is the time of day deadline for submission of RFP?</li> <li>In section 6.9.12 please clarify what documents are specified as H.1 &amp; H.2</li> <li>Would LIPA consider awarding the project earlier than December 2014?</li> </ol>	<ol style="list-style-type: none"> <li>Proposals are due by 3:00pm EST on March 31, 2014.</li> <li>H.1 and H.2 refer to Sections 6.9.10 and 6.9.11 of the RFP.</li> <li>Based on the current schedule we are not anticipating awards before that date.</li> </ol>

## 280MW Renewable RFP Q&A Log

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19	<p>While LIPA's simultaneous GS &amp; DR RFP requires <i>storm resistant</i> generation locations and facilities consistent with LIPA's post-2012 Superstorm Sandy System hardening requirements for new on-Island energy resources to a) be above FEMA's current 1-in-500 year flood zones established for NYISO Zone K (Long Island); and b) withstand 130 mph winds, this RFP is curiously silent on such LIPA requirements.</p> <p>Is LIPA, for whatever reason, distinguishing between its new on-Island fueled versus renewable energy resources being competitively solicited under these 2-RFPs? This requested clarification is especially relevant on the East End – North and South Forks where both of LIPA's simultaneous RFPs, as well as its 2013 Clean Solar Initiative FIT II, emphasizes LIPA's need for new on-Island fueled and renewable energy resources.</p>	<p>Section 6.6.5 of this RFP describes the Flood Plane and wind requirements:</p> <p>6.6.5 Storm Resistant Location/Facilities: All project facilities and interconnection facilities must be designed to withstand 130 mph winds and to elevate equipment to accommodate updated one-in-500 year flood zones.</p>
20	<p>Whereas LIPA's 2013 FIT II Applications process limited solar applications to pre-National Grid reviewed and LIPA approved LIPA circuits and substations interconnections and LIPA's simultaneous GS &amp; DR RFP further defines its <i>locational value</i> for new on-Island energy resources through its identification of preferred substations interconnections, this RFP is completely silent on LIPA interconnection preferences/restrictions. Accordingly, <i>how, when, do</i> proposers responding to this RFP become aware of this apparently significant LIPA evaluation criteria as part of this competitive LIPA solicitation?</p>	<p>For the purposes of this Island –wide RFP, which allows projects as small as 2MWs, it is the responsibility of the Proposer to research which substation they intend to interconnect to. Additional information will be provided by PSEG-LI's Power Asset Management Group after an NDA is executed.</p>

## 280MW Renewable RFP Q&A Log

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21	Will LIPA's competitive side-by-side <i>value-to-LIPA/LIPA's ratepayers</i> evaluation rack-up under this RFP favor Proposals that offer earlier in-service COD's than LIPA's targeted December 31, 2018 COD including Proposals able to credibly document <i>shovel ready</i> status immediately following LIPA's targeted December 2014 selection/award?	Impacts of the ability to achieve an earlier COD will be incorporated into the qualitative and quantitative evaluations.
22	<p>The Federal ITC for solar is currently set to drop from 30% to 10% for systems not in service prior to 12/31/16 whereas this RFP doesn't have LIPA executing PPAs until 1<sup>st</sup> Q 2016. Accordingly, what safeguards – if any - does LIPA have in-place ensure proposers will have enough time to have proposed solar systems in-service by the aforementioned date?</p> <p>Without some PPA mechanism, this RFP is biased toward non-solar renewable energy systems.</p>	It is the responsibility of the Respondent to factor any subsidies into their cost structure. Since LIPA is not responsible for the scheduling of the Federal ITC for solar LIPA rejects the statement that we are biased toward any renewable energy resource technology.
23	<ol style="list-style-type: none"> <li>How are interconnection costs, including studies, accounted for in this RFP?</li> <li>Are Project interconnection and LIPA system reinforcement costs a LIPA responsibility under this RFP? If not, how is LIPA intending to allocate Project interconnection and LIPA system reinforcement costs between the parties?</li> </ol>	<ol style="list-style-type: none"> <li>This is discussed in the RFP in Sections 6.10.4 and 6.10.5.</li> <li>See the response to Question 1 above.</li> </ol>



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24	<p>How does LIPA reconcile this RFP's Section 2.0 General Terms, 2.1 Product Definition, 2.1.4 bias...<i>LIPA will not award any more than 40MW of contracts under this solicitation for fuel-based renewables...</i>when:</p> <ol style="list-style-type: none"> <li>1. Within the very same RFP Section 2.0 General Terms, 2.1 Product Definition, 2.1.1 LIPA also establishes, without any limitation whatsoever, that NY RPS Tier I technologies as defined in NYPSC's Order in Case 03-E-0188 are the renewable resources eligible for this RFP wherein no such equivalent bias against fuel-based renewable resources exists within NY's RPS;</li> <li>2. LIPA is well aware that a) to-date the majority of NYSERDA's open NY RPS competitive auctions' lowest-cost/priced awards have consistently been to fuel-based technology proposals consistent with NYPSC's Case 03-E-0188 Order open auction criteria; and b) competitive fuel-based renewable energy responses to this RFP are therefore, highly likely to be the lowest-cost/priced received by LIPA; and</li> <li>3. Such bias is inconsistent with RFP Section 7.2 wherein LIPA represents that its Proposals' Qualitative and Qualitative Evaluation Criteria include side-by-side rak-up assessments of competitive Proposals' impacts upon LIPA's ratepayers.</li> </ol>	<p>The decision of the mix of renewable resources is solely LIPA's decision.</p>

## 280MW Renewable RFP Q&A Log

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25	<p>Since ≥25MW energy resource responses to this RFP are subject to NY's Article 10 Licensing &amp; Permitting criteria, which specifically includes Section 1001.18, Exhibit 18 Safety and Security Plans consistent with federal and NY Homeland Security Critical Infrastructure requirements for energy resources during construction and operations, please advise if LIPA intends 1) for all competitive price proposals received for ≥25MW projects to include FERC/NERC compliant storm hardening; black start; interconnection; reliability; as well as physical &amp; cyber, safety and security standards; or b) to negotiate all such federal and NY Homeland Security Critical Infrastructure FERC/NERC required safety and security standards compliance as post-award proposal/project enhancements with the selected proposers/project(s) following LIPA's currently targeted December 2014 selection(s).</p>	<p>All Proposers are responsible for complying with all applicable governmental and regulatory requirements and the cost of doing so must be included in the proposal.</p>

## 280MW Renewable RFP Q&A Log

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26	<p>I have also attached a list of questions that are pasted below:</p> <ol style="list-style-type: none"> <li>1. Can we deploy solar on LIPA owned and/or joint use poles?</li> <li>2. Does LIPA require a visible manual disconnect for a solar unit deployed on a utility pole</li> <li>3. Does LIPA have an interconnection application for single phase, secondary rated, non-induction generation? Our inverter ties into the 120v secondary.</li> <li>4. Pole types on system? Steel, wood, aluminum?</li> <li>5. If LIPA owns metal poles is there information available on these poles? Height, thickness, manufacturer, etc. 6. Is there GIS data available for power system/poles? Is it available for us to use? Does it include, pole#, GPS coordinates, equipment on pole.</li> <li>7. Does LIPA/PSE&amp;G use ArcMap /ArcGIS? If not, what software is used?</li> <li>8. Are police details needed in every town for traffic control when working on utility and light poles?</li> </ol>	<p>The Proposer is directed to Sections 2.1.3 and 5.7.1 of the RFP which speak to a single point of interconnection for each project. Therefore the project you propose does not appear to comply with this RFP.</p>

## 280MW Renewable RFP Q&A Log

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26 Cont.	<p>9. Could the deployment begin earlier than stated in the RFP if zoning and permitting intervals are minimized?</p> <p>10. Does a two-man crew (Journeyman &amp; Ground man) meet LIPA's requirements for working on secondary voltages when there is primary attached to the pole?</p> <p>11. Is it necessary to use Union Linemen for line work on LIPA's system?</p>	
27	Is it correct that LIPA would not be signing contracts for the proposed projects with developers until Q1 2016? This is 1yr after developers/projects are selected according to the published schedule.	<p>As per the RFP Section 6.13.1:</p> <p>6.13.1 For a proposed project subject to Article 10 of the New York Public Service Law, a condition precedent to the PPA becoming effective is that the Proposer must receive a certificate of environmental compatibility and public need from the New York State Board on Electric Generation Siting and the Environment. For a proposed project that is subject to the New York State Environmental Quality Review Act ("SEQRA"), LIPA cannot execute the PPA until the SEQRA review is complete.</p>

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28	<p>1. If 280 MW of projects are not submitted by March 31, or subsequently awarded, will LIPA consider reissuing the program, or extending it?</p> <p>2. What is the rationale for awarding the projects by December 31, 2014, but not signing contracts until 2016?</p> <p>3. Is there a target list of areas on LIPA's network that have been upgraded within the last few years able to support solar projects up to 2, 5, 10, 20 MW which, due to network design/upgrade will require minimal upgrades?</p> <p>4. If so, please define ball-park costs for system upgrades by segment ( 2 MW, 5, 10, 20 MW) at this time.</p> <p>5. Will LIPA provide an awardee list of projects, locations and developers for the 2012 and 2013, 2 MW FIT program now? If not now, when?</p>	<p>1. At this time LIPA has no plans to issue any additional procurements for renewables or extending this procurement with the exception of a 20 MW non-solar FIT.</p> <p>2. Please see the answer to Question 27.</p> <p>3. There is no such "target list", however similar information can be obtained via subsequent conversations with PSEG-LI as the normal process of this procurement has been designed to do.</p> <p>4. Please see the answer to Question 3 above.</p> <p>5. The awarding of projects for the 2012 and 2013, 2 MW FIT program will be managed by a different group.</p>