



LONG ISLAND SOLAR CALVERTON PROJECT

February 6, 2020

2015 RENEWABLE RFP PROJECT SELECTIONS

LI SOLAR CALVERTON

RIVERHEAD SOLAR 2



NEW SOLAR FARM ON LONG ISLAND TO POWER 4,200+ HOMES

LI SOLAR CALVERTON PROJECT HIGHLIGHTS

- **22.9** megawatts
- **198** acres
- Powers **4,200+** homes
- Reduces **20,000 tons of carbon (CO₂) emissions per year** – the equivalent of removing 4,000 cars from the road
- Interconnects to Edwards Avenue Substation
- Environmental review approved by the Town of Riverhead
- Developed by: **Long Island Solar Generation, LLC**, a joint venture between NextEra Energy Resources and National Grid Ventures
- Location: **Calverton**, Town of Riverhead



KEY CONTRACT TERMS

- 30-year term from commercial operation date of 12/31/2020
- Pay for Performance
- Performance guarantee: penalty for insufficient production and discount for over-production
- Subject to financial penalties for failing to timely construct planned capacity
- Estimated total contract cost is approx. \$190 million
- Cost to Average Residential Customer: 16 cents per month

BOARD AGENDA SUMMARY SHEET

Committee or Board: Board	Date: January 24, 2020	Board Meeting Date: February 6, 2020
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For All Board Voting Items:

Title of Agenda Item: Approval of the Authorization to Execute a Power Purchase Agreement with LISG Calverton Solar

Consent Agenda: Yes No **Accompanying Presentation:** Yes No

Recommendation from Committee: N/A F&A; GP&P; Oversight & REV

LIPA Presenter: Rick Shansky **PSEG Long Island Presenter:** N/A

For Contract Approvals Only:

RFP: Yes No **Term:** 30 years

Requested Action:	The Trustees are requested to approve and adopt a resolution authorizing the Chief Executive Officer or his designee, to execute a Power Purchase Agreement (“PPA”), with LI Solar Generation, LLC (“LI Solar”), and to take such other actions as may be reasonably necessary to implement arrangements for the Long Island Power Authority (“LIPA”) to purchase energy, generating capacity and renewable attributes from a solar generating facility being developed by LI Solar, a company jointly owned by NextEra Energy Resources, LLC and National Grid plc.
Summary: (include proposed amendments to Board Policies, if applicable)	<p>On December 22, 2015, PSEG Long Island issued a Request for Proposals for New, Renewable Capacity and Energy (“2015 Renewable RFP”) which sought to procure energy, capacity, and environmental attributes from eligible projects 1 MW or greater. Responses to the 2015 Renewable RFP were received on June 22, 2016 and evaluation results were presented to the Board at the July 26, 2017 meeting with the recommendation for the selection of two solar projects, rated 22.9 MW and 36 MW, respectively. Thereafter, PSEG Long Island commenced PPA negotiations with the developers and both projects were also subject to applicable local or State environmental reviews.</p> <p>Under the proposed PPA, LIPA will purchase all renewable energy, related capacity and renewable attributes produced by the Project during a term of thirty (30) years, at a total cost of approximately \$190 million. The energy produced by the Project will contribute to meeting LIPA’s share of the State’s renewable energy goals. As compared to the cost of existing conventional generation, purchases from LI Solar are estimated to increase residential customer bills by 16 cents per month.</p>

FOR CONSIDERATION

February 6, 2020

TO: The Board of Trustees

FROM: Thomas Falcone

SUBJECT: Approval of the Authorization to Execute a Power Purchase Agreement with LI Solar Generation, LLC.

Requested Action

The Trustees are requested to approve and adopt a resolution authorizing the Chief Executive Officer or his designee, to execute a Power Purchase Agreement (“PPA”), with LI Solar Generation, LLC (“LI Solar”), and to take such other actions as may be reasonably necessary to implement arrangements for the Long Island Power Authority (“LIPA”) to purchase energy, generating capacity and renewable attributes from a solar generating facility being developed by LI Solar, a company jointly owned by NextEra Energy Resources, LLC and National Grid plc.

Background

On December 22, 2015, PSEG Long Island issued a Request for Proposals for New, Renewable Capacity and Energy (“2015 Renewable RFP”) which sought to procure energy, capacity, and environmental attributes from eligible projects 1 MW or greater. Responses to the 2015 Renewable RFP were received on June 22, 2016 and evaluation results were presented to the Board at the July 26, 2017 meeting with the recommendation for the selection of two solar projects, rated 22.9 MW and 36 MW, respectively. Thereafter, PSEG Long Island commenced PPA negotiations with the developers and both projects were also subject to applicable local or State environmental reviews.

LI Solar is developing a 22.9 MW solar generating facility located on two parcels near the Edwards Avenue substation in Calverton that total approximately 200 acres (the “Project”). The Town of Riverhead (“Town”) has completed a coordinated environmental assessment of the Project, which included LIPA as an involved agency. As indicated in Attachment B, the Town found that the Project would have no significant adverse impact on the environment. Concurrently, the proposed PPA is ready for consideration by the Trustees.

Under the proposed PPA, LIPA will purchase all renewable energy, related capacity and renewable attributes produced by the Project during a term of thirty (30) years, at a total cost of approximately \$190 million. The energy produced by the Project will contribute to meeting LIPA’s share of the State’s renewable energy goals. As compared to the cost of existing conventional generation, purchases from LI Solar are estimated to increase residential customer bills by 16 cents per month.

The target Commercial Operation Date (“COD”) for the Project is December 31, 2020. The PPA requires LI Solar to obtain all required Federal, State and local permits and reach key Project construction milestones by dates certain. LI Solar would be subject to payment of specified

liquidated damages for failure to meet the construction milestones and/or its commitment to construct 22.9 MW of installed capacity.

The terms of the PPA are consistent with, if not more favorable than, the original LI Solar proposal. The PPA is a pay-for-performance contract, i.e., LI Solar gets paid only when it provides energy. LI Solar has committed to a performance guarantee so that the Authority will receive at least the guaranteed quantity of solar energy or be compensated by LI Solar for any shortfall. Moreover, LIPA has the right to terminate the PPA in the event of chronic underperformance.

Recommendation

For the foregoing reasons, I recommend that the Trustees authorize the Chief Executive Officer or his designee to take all actions, including, without limitation, execution of the LI Solar PPA and all other related agreements to enable the Authority's purchase of renewable power from the LI Solar Project described above.

Attachment

- Exhibit A Resolution
- Exhibit B Town of Riverhead Negative Declaration

AUTHORIZATION TO ENTER INTO POWER PURCHASE AGREEMENT WITH LI SOLAR GENERATION, LLC FOR THE PURCHASE OF ELECTRICITY AND RENEWABLE ATTRIBUTES

WHEREAS, pursuant to the December 22, 2015 Request for Proposals for New, Renewable Capacity and Energy issued and administered by PSEG Long Island, LIPA staff selected a proposal by LI Solar Generation, LLC (“LI Solar”) to develop a 22.9 MW solar generating facility (“Project”) in Calverton; and

WHEREAS, the Project represents a source of renewable energy that will contribute to LIPA meeting the renewable energy goal established by the Trustees through the Policy on Resource Planning, Renewable Energy and Energy Efficiency; and

WHEREAS, LIPA and LI Solar have negotiated a Power Purchase Agreement (“PPA”) under which LI Solar will construct, own, operate and maintain the Project and sell the capacity, energy and renewable attributes produced by the Project to LIPA for a term of 30 years; and

WHEREAS, pursuant to the State Environmental Quality Review Act, after a coordinated review with LIPA, the Town of Riverhead issued a Negative Declaration, dated February 4, 2020, finding that the Project will not have a significant adverse impact on the environment.

NOW, THEREFORE, BE IT RESOLVED, that the Chief Executive Officer and his designee be and hereby are authorized to execute and effect a PPA and other related agreements and arrangements, consistent with the terms of the accompanying memorandum, and to perform such further acts and deeds as may be necessary, convenient or appropriate, in the judgment of the Chief Executive Officer or his designee, to implement LIPA’s purchase of electricity and renewable attributes from LI Solar.

Dated: February 6, 2020

02.04.2020

ADOPTED

TOWN OF RIVERHEAD

Resolution 2020-108

ASSUMES LEAD AGENCY AND ISSUES NEGATIVE DECLARATION PURSUANT TO 6NYCRR PART 617 (SEQRA) FOR THE SPECIAL PERMIT AND SITE PLAN APPLICATION OF CALVERTON SOLAR ENERGY CENTER (NEXTERA) 149 EDWARDS AVE. & RIVER RD., CALVERTON NY SCTM NO. 600-137-1-2.1 & 600-136-1-2

Councilman Hubbard offered the following resolution,
which was seconded by Councilwoman Kent

WHEREAS, the Town Board of the Town of Riverhead is in receipt of a special permit application to construct a 22.9 MW commercial solar energy production facility (solar farm), including underground transmission lines, a 34.5-138 kV transformer, fencing, landscaping, road, grading, and drainage improvements on two parcels located within the Industrial C (Ind C) zoning use district; and

WHEREAS, the subject parcels on upon which the action is proposed are particularly identified as such:

1. SCTM No. 600-137-1-2.1, 82.5 acres, located at 149 Edwards Avenue, Calverton, NY.
2. SCTM No. 600-136-1-2, 114.97 acres, located on River Road, Calverton, NY;
and

WHEREAS, the applicant has also submitted a site plan application to the Town of Riverhead Planning Department for site plan approval of the aforementioned project; and

WHEREAS, the plans and information that has been submitted consists of the following: a site plan, prepared and stamped by Steven A. Windingland, PE, last dated August 9, 2019, with sheets labeled T.100: Cover, C.100: Overall Site Plan, C.101: Site Setbacks, C.102: Property Map, C.103: Existing Conditions, C.104: Removal Plan, C.105: Overall Grading Plan, C.106: Interconnect Plan, C.200: Site Plan-1, C.201: Site Plan-2, C.202: Site Plan-3, C.203: Site Plan-4, C.204: Site Plan-5, C.205: Site Plan-6, C.206: Site Plan-7, C.207: Site Plan-8, C.208: Site Plan-9, C.209: Site Plan-10, C.210: Site Plan-11, C.211: Site Plan-12, C.212: Site Plan-13, C.213: Site Plan-14, C.214: Site Plan-15, C.215: Site Plan-16, C.300 Grading and Erosion Control Plan-1, C.301: Grading and Erosion Control Plan-2, C.302: Grading and Erosion Control Plan-3, C.303: Grading and Erosion Control Plan-4, C.304: Grading and Erosion Control Plan-5, C.305: Grading and Erosion Control Plan-6, C.306: Grading and Erosion Control Plan-7, C.307: Grading and Erosion Control Plan-8, C.308: Grading and Erosion Control Plan-9, C.309: Grading and Erosion Control Plan-10, C.310: Grading and Erosion Control Plan-11, C.311: Grading and Erosion Control Plan-12, C.312: Grading and Erosion Control Plan-13, C.313: Grading and Erosion Control Plan-14, C.314: Grading and Erosion Control Plan-15, C.315: Grading and Erosion Control Plan-16, C.316: Seeding Plan, C.317:

WHEREAS by Town Board Resolution No. 2019-425, dated May 22, 2019, the Town Board of the Town of Riverhead classified the special permit and site plan applications as a Type 1 Action, pursuant to 6NYCRR Part 617.4(b)(6), as the project or action involved physical alteration in excess of 10 acres, and also circulated a request for the Town Board to serve as Lead Agency for the purposes of SEQRA review; and

WHEREAS, by letter date June 6, 2019, the Town of Riverhead Planning Department sent a request to involved agencies for the Town Board to assume Lead Agency status; and

WHEREAS, the Planning Department received no objection from any agency to the Town Board serving as Lead Agency for the purposes of SEQRA review; and

WHEREAS, the application was reviewed by the Town of Riverhead Conservation Advisory Council at its regular meeting on December 11, 2019, as the application proposes disturbance within 150 feet of a Town of Riverhead regulated wetland, specifically to perform trenching and installation of underground electrical transmission lines and to fill in two lined man-made water features on the subject parcel; and

WHEREAS, in a letter dated December 18, 2019, the Conservation Advisory Council recommended approval of the proposed action with the following conditions:

1. The applicant must contain all stormwater on-site and must ensure that no sedimentation into any Town of Riverhead freshwater wetlands occurs during construction; and

WHEREAS, per a September 16, 2019 letter, the New York State Department of Agriculture and Markets noted that the neither of the subject parcels are located within a County adopted, State certified Agricultural District; and

WHEREAS, the applicant has represented that the proposed solar panels consist of glass, polymer, aluminum, copper, and semiconductor materials that can be recovered and recycled at the end of their useful life; and

WHEREAS, the applicant has represented that the proposed solar cells are encapsulated from air and moisture between two layers of plastic, with a layer of tempered glass and a polymer sheet or industrial laminate and that the proposed solar panels do not contain cadmium, nor do they contain lead above regulatory protocol that would render them as a hazardous waste; and

WHEREAS, the Town Board of the Town of Riverhead has considered the information contained special permit application, site plan application, Full Environmental Assessment Form (FEAF), the expanded project narrative prepared by the applicant, dated September, 2018, as well as other relevant planning, zoning, and environmental information; and

WHEREAS, the Planning Department has prepared Part 2 and Part 3 of the Full EAF, dated November 14, 2019, which considered and addressed any potential

environmental impacts. Accordingly, the Town Board makes the following SEQRA related findings:

1. In order to manage stormwater and ensure that erosion and controlled, the applicant will be required to prepare an engineered Stormwater Pollution Prevention Plan, in a form approved by the Town's Stormwater Management Officer.
2. A portion of the project site (approximately 74.6 acres) is currently or has been historically farmed. The nature of the proposed action is such that the character of the subject site will remain largely intact, with land disturbance limited to grading and drainage improvements, placement of access roads, electrical transformers, subsurface electric transmission lines, and the installation of solar panels on metal racking. The nature of the installation of the solar panels is such that piles are driven into the ground, which can be removed at a later time, and allow the site to return to agricultural production, as opposed to a more permanent industrial development permitted by zoning, which would likely result in the exportation of prime agricultural soils, a much greater amount of land disturbance, compaction of soils, and introduction of potential contaminants into the site in the form of nitrogen loading, oil, and other materials from industrial uses.
3. A portion of the project site (approximately 82.5 acres) is currently used as a commercial sports and recreation facility, colloquially known as the Long Island Sports Park, which is a permitted use within the Industrial C zoning use district. The subject parcel (SCTM No. 600-137-1-2.1) is not part of any recreation plan, open space plan, or comprehensive plan for community recreation or preservation.
4. The subject parcel (SCTM No. 600-137-1-2.1) is not a natural resource, as it was constructed originally as a golf course with a significant amount of work including regrading, roadway improvements, and creation of several wetlands.
5. The loss of this informal recreation resource is considered to be a small impact, per the NYSDEC Full Environmental Assessment Workbook, as there are a number of existing or planned recreational resources near, but not adjacent to the proposed project, namely: Splish Splash Water Park, Robert Cushman Murphy Park, Island Waterpark (currently under construction), the Peconic River, Calverton Rifle Range, Swan Lake Golf Course, Indian Island Golf Course, and the recently completed EPCAL Biking and Recreation Trail.
6. The proposed use of SCTM No. 600-137-1-2.1 for commercial solar energy generation represents a reduction in the intensity of land use compared to the current use of the subject parcel, as it does not contribute significantly to roadway congestion, nitrogen loading, noise pollution, solid waste generation, or noxious odors nor does it propose to infringe upon any regulated Town of Riverhead or New York State Department of Environmental Conservation wetlands.
7. The applicant has prepared and submitted a substantial landscaping plan which complies with Town Code in order to effectively screen the proposed development from Town right-of-ways and neighboring properties.
8. As depicted in the aforementioned site plan drawings, prepared and stamped by Steven A. Windingland, PE, the siting of the solar panels, roadways, underground transmission lines, and related equipment has been oriented in such a manner that will allow for the retention of large swaths of contiguous wooded areas on both subject parcels, with the plan only calling for removal

- of sporadic trees throughout portions of previously disturbed lands on SCTM No. 600-137-1-2.1.
9. The siting of the proposed solar farm will not result in the loss or impact of any known wildlife habitats, as the construction will take place on previously disturbed lands which are currently used for commercial sports and recreational uses, including special events.
 10. The proposed action will impact soils identified as RdB – Riverhead sandy loam, RdA, Riverhead sandy loam, and HaA, Haven loam, as identified on the FEAF. The nature of the proposed construction is such that existing soils will be retained on site, as opposed to being exported off site.
 11. The applicant has represented that the solar panels used for the commercial solar energy generation facility will be recycled or otherwise safely disposed of at the time that the facility is decommissioned.
 12. The applicant has prepared and submitted a decommissioning plan to be executed upon the expiration of any Special Permit granted by the Town Board.
 13. A Glint & Glare Analysis, prepared by Capitol Airspace Group, last dated May 4, 2018, which was submitted with the application demonstrates that the siting of the proposed commercial solar energy generation facility will not create a glare hazard on approach patterns to either of the runways located at EPCAL, nor will it create a glare hazard to occupants of the Air Traffic Control Tower (ATCT) at the EPCAL airfield.
 14. An acoustic assessment report, prepared by Tetra Tech, last dated August 2018, analyzed anticipated noise levels generated by the proposed equipment, including panels, electrical transformers, and related equipment, and demonstrated that there will be no significant negative impact from noise generation to any commercial or residential structures in the vicinity of the subject parcel, and further demonstrated that all components of the action will comply with the requirements of Chapter 251, Article 1 of the Town Code of the Town of Riverhead, and that noise levels from the proposed equipment will not exceed 60 dB.
 15. The proposed action will not create a significant increase in traffic congestion at or around the project location.
 16. The proposed action will not generate significant amounts of solid waste or noxious odors.
 17. The application will require a permit from the New York State Department of Environmental Conservation (NYSDEC) as a portion of the project site is located within the NYSDEC Wild, Scenic, and Recreational Rivers area.
 18. The proposed action will result in the elimination of the existing on-site club house, thereby reducing the discharge of sanitary waste via existing sub-surface sanitary waste management system.
 19. There will be no increase in demand on the Riverhead Water District as the action does not propose to use public water.
 20. Both subject parcels are located within the Compatible Growth Area (CGA) of the Central Pine Barrens, and as such, the project must conform to the Central Pine Barrens Comprehensive Land Use Plan (CLUP) as implemented by the Town Code, or the applicant will require a hardship waiver from the Central Pine Barrens Commission, as noted in a June 20, 2019 letter from the Central Pine Barrens Joint Planning & Policy Commission.
 21. There will be no degradation of groundwater quality based on the composition of the proposed solar panels.

NOW, THEREFORE BE IT,

RESOLVED, that the Town Board of the Town of Riverhead hereby assumes Lead Agency status for the purposes of SEQRA review for the special permit and site plan applications; and be it further

RESOLVED, that the Town Board of the Town of Riverhead hereby issues a Negative Declaration pursuant to SEQRA, as the Town Board finds that there will be no significant adverse environmental impacts as a result of the proposed action; and be it further

RESOLVED, the Town Clerk shall provide a copy of this resolution to the applicant; the Planning Department; the Planning Board; the Building Department; the Assessor's Office; the Fire Marshal's Office; and be it further

RESOLVED, all Town Hall Departments may review and obtain a copy of this resolution from the electronic storage device and if needed, a certified copy of same may be obtained from the Office of the Town Clerk.

THE VOTE

RESULT:	ADOPTED [3 TO 2]
MOVER:	Tim Hubbard, Councilman
SECONDER:	Catherine Kent, Councilwoman
AYES:	Tim Hubbard, Catherine Kent, Frank Beyrodt Jr.
NAYS:	Yvette Aguiar, Jodi Giglio