

ORECRFP18-1 Phase 1 Offshore Wind Solicitation

September 25, 2018



Offshore Wind Policy Options Paper

- Provides an assessment of alternatives for addressing a wide range of policy issues relevant to the successful deployment of a first phase (800 MW) of offshore wind energy
- Components include:
 - Procurement and contracting
 - Seven options for contract structures
 - Schedule of future procurements
 - Methods to ensure ratepayer protection
 - Funding mechanisms through load serving entity obligations
 - Transmission and interconnection strategies
 - Cost and benefit analysis



Offshore Wind Standard

- The Public Service Commission issued an Order directing NYSERDA, in consultation with NYPA and LIPA, to procure approximately 800 MW of offshore wind between 2018 and 2019
 - Public Service Commission Case 18-E-0071
- Authorized NYSERDA to include certain provisions in its Request for Proposals (RFP) including:
 - Commitments to project labor agreements and prevailing wages as contract requirements
 - Provisions to ensure that awarded offshore wind projects consider the interests of ocean users such as
 - Commercial and recreational fishing
 - Environmental stakeholders
 - Coastal communities

July 2018

NYSERDA

Request for Information (RFI OSW-2018)

- Issued in response to the Offshore Wind Standard to gather feedback from developers and other interested parties on the mechanics of NYSERDA's first offshore wind RFP
- Responses from a variety of stakeholders including:
 - Utilities
 - Project developers
 - Labor representatives
 - Government agencies
 - Community organizations
 - Commercial fishing industry
 - Environmental organizations
- Available online:

https://www.nyserda.ny.gov/All-Programs/Programs/Offshore-Wind/Offshore-Wind-Solicitations/Generators-and-Developers/Request-for-Information



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Draft Request for Proposals Issued (Draft ORECRFP18-1)

- NYSERDA issued a draft Request for Proposals (RFP) to help inform and refine the final RFP
 - Available for stakeholder comment
 - Submit to <u>offshorewind@nyserda.ny.gov</u> by Friday, October 5, 2018 at 5:00 p.m. ET with the subject "Draft ORECRFP18-1 Comments"
 - Available online: <u>https://www.nyserda.ny.gov/offshore-wind-</u> <u>draft-request-for-proposals</u>
- Next Steps:
 - Fall 2018: Final RFP issued
 - Winter 2019: RFP due
 - Spring 2019: NYSERDA notifies awardees
 - Summer 2019: Contract executed

DRAFT / All Contents Subject to Further Deliberation and Final Decision

NEW YORK STATEO OFFORTUNITY.

Purchase of Offshore Wind Renewable Energy Certificates Draft Request for Proposals (RFP) No. ORECRFP18-1 RFP Release Date: TBD

NOTICE: This draft ORECRF18-1 is being issued by NYSERDA in order to allow review and comment by interested parties prior to the issuance of a formal Request for Proposals (RFP). Comments are due by Friday, October 5, 2018, and should be sent to offsharewind@myserda m, goov with the subject line "Draft ORECRF18-1 Comments" Please note that all content in this DRAFT RFP and its attachments, appendices and exhibits is subject to revision. The content pavolde herein is subject to deletion or modification based on comments submitted by prospective Proposers, other entities or persons electing to respond to this DRAFT RFP, or for any other reason. Proposers should review the final RFP before preparing a Proposal.

NYSERDA does not intend to make comments public. If NYSERDA receives a request from a third party for comments received that have been marked "Confidential" or "Proprietary". NYSERDA will process such request under the procedures provided by NYSERDA's FOIL regulations (email foil@nyserda.ny.gov for additional information). See Section 8.1.

The New York State Energy Research and Development Authority (NYSERDA) seeks to procure Offshore Wind Renewable Energy Certificates ("ORECs")¹ as authorized by the New York State Public Service Commission' Spruter Establishing Offshore Wind Standard and Framework for Phase 1 Procurement, issued on July 12, 2018 in Case No. 18-E-007. All Proposers are advised to review the Order and its Appendices before participating in this RFP.

Proposals are due on TBD by 3:00 p.m. ET.

Proposals must be held firm and valid for 180 days from TBD.

All relevant documents pertaining to this RFP are on available on the NYSERDA website at https://www.myserda.my.gov/All-Programs/Programs/Offshore-Wind/Offshore-Wind-Solicitations/Generators-and-Developers. Proposers are advised to check this website regularly for updates.

Questions about this RFP should be directed to Doreen Harris, Adrienne Downey, Allison Rose, or Matt Vestal (the Designated Contacts) at <u>offshore/wind@myarefa.my.gov</u> (no phone calls). A Proposers Conference will be held on [TB0]. No communication intended to influence this procurement is permitted except by contacting the Designated Contacts through this email address. Contacting the Designated Contacts should be address.

¹ Please note that while the Order uses the generic term "credits," the term "certificates" is us successful proposers will be required to participate in NYGATS, and NYGATS uses the term "cr Certificates are minted on a one per MWh basis. Each NYGATS OREC Certificate will include a number.

September 2018



Request for Proposals

The RFP is the manifestation of the work done for the Master Plan, Policy Options Paper, collaboration with State and federal agencies, and extensive public and stakeholder consultations

Scoring Criteria

- 70% Bid Price
- Index and Fixed OREC offer prices
- 20% Economic Benefits
- Project-specific spending and job creation
- Investments in offshore wind-related supply chain and infrastructure development
- Opportunities for New York offshore wind supply chain, workforce, and research and development
- 10% Project Viability
- Interconnection and delivery
- Community outreach
- Fisheries and environmental mitigation plans
- Visibility and viewshed impacts
- Wind resource assessment

Contract Requirements

- Project labor agreement and prevailing wage requirement
- Submit a fisheries and environmental mitigation plan
- Participate in New York's technical working groups (TWGs)
- Consult with relevant State agencies around fishing, wildlife, and the environment
- Implement lighting controls to minimize nighttime visibility
- Make environmental data collected during site assessment publicly available
- Minimize visual impacts



Phase 1 Transmission – ORECRFP18-1

July 2018 Order: "The Commission determines that, for purposes of Phase 1, holding the generator responsible for transmission is the most easily-implementable and feasible option for jump-starting offshore wind development in New York."

Key provisions:

- Generator lead line approach.
- OREC price embodies all project costs, including transmission and interconnection costs.
- Proposers may form a partnership with a transmission developer.
- The prorated portion of investments in oversized transmission and interconnection facilities not needed to support the Offshore Wind Generation Facility shall not be included as an Economic Benefit.

Upcoming Events



Upcoming Offshore Wind Events

Long Island and New York City Public Information Meetings

- September 26
 - 6:30 p.m. 8:00 p.m.
 - Long Beach City Hall, 1 West Chester Street, 6th Floor, Long Beach, NY 11561
- September 27
 - 7:30 p.m. 9:00 p.m.
 - Peninsula Library, 92-25 Rockaway Beach Boulevard, Rockaway Beach, NY 11693

State of the Science Workshop

- November 13 14
 - 10:00 a.m. 4:30 p.m.
 - The Inn at Fox Hollow, 7755 Jericho Turnpike, Woodbury, NY 11797

New York Offshore Wind Supplier Forum

- November 15
 - 9:00 a.m. 5:00 p.m. (tentative)
 - The Roosevelt Hotel, 45 East 45th Street, New York, NY 10017



Questions?

Contact Us:

Website: nyserda.ny.gov/offshorewind Email: offshorewind@nyserda.ny.gov

