



c/o Village of Ossining
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Ossining, NY 10562
Sustainablewestchester.org

MUNICIPAL SOLAR BUYERS GROUP : FAQ #2

Answers to Questions from Interested Respondents as of June 24, 2015

Update on Ground Mount Projects: The advisors to and management of Sustainable Westchester joined representatives from the engineering firm, Weston & Sampson (see <http://www.westonandsampson.com/>) to review the ground mounted sites that had been identified by the participating municipalities. We anticipate providing an update from Weston & Sampson within about a week's time regarding a better assessment of the size of project that could be installed at the eligible ground mount sites.

In addition, there are some changes to the list of sites detailed in Exhibit B to the RFP.

- The two ground mount locations in Cortlandt have been **removed** from the list of sites: **Project #1 (99 Acres)** and **Project #3 (Capped Ash Pit)**.
- We are now adding the following two new sites in White Plains to Revised Exhibit B which has been uploaded to the Sustainable Westchester website:
 - Ebersole Ice Rink
110 Lake Street, White Plains
[Ebersole Ice Rink Map](#)
 - The Galleria Mall Parking Garage (Rooftop)
100 Main Street, White Plains
[Galleria Mall Garage Map](#)

FAQ #2 (numbering of questions is continued from [FAQ #1 dated June 11, 2015](#)).

18) [Would it be possible to see the site usage for each site \(12 months of historical data\)?](#)

ANSWER: Unfortunately, this information will not be available. Respondents are directed to assume that each municipality has sufficient load, either at these locations or at other meters titled in their name, so that all solar output generated at a given site will be fully utilized on site or at other locations through net metering provisions.

19) [We would like to know the current price that these municipalities are paying per kWh for each site \(12 months of historical electric bills\).](#)

ANSWER: Please refer to answer to Question 18 above.

20) What is the utility for each site?

ANSWER: Please refer to answer to [Question 1 posted on June 11, 2015](#).

21) Can there be more details regarding the landfills (nature of cap, whether it is “closed” etc.)

ANSWER: Please refer to the Update on Ground Mounted sites at the beginning of this Q&A release. More information is expected within a week from the analysis performed by Weston & Sampson which will be made available to Respondents.

22) What is the cumulative energy usage for each Town (including sites not listed) this will be important for us to gauge the net metering capacity for each town.

ANSWER: Please refer to answer to Question 18 above.

23) Is Note 1 on Bid Form II Correct? (“For example, if four meters are available and total system size is 800 kw, then assume \$800 per installed kilowatt (i.e. 4 times \$200).”) If there was an 800 kW facility (4 meters x 200 kW), the transaction cost would be \$800/kW (\$800 x 800 = \$640,000), not the standard \$200/kW (\$200 x 800 = \$160,000)?

ANSWER: The correct calculation for the transaction expenses for four (4) 200 kW systems or one (1) 800 kW system should be (\$200 x 4 x 200 kW = \$160,000). Note 1 on Bid Form II has been corrected to reflect the foregoing.

24) What is the total annual electrical energy load (MWh/year) for each municipality and will this limit the amount of solar that can be net metered for that municipality?

ANSWER: Please refer to answer to Question 18 above.

25) What is the current electric rates/tariffs for each Municipality? Can you provide example monthly bills for each municipality?

ANSWER: Please refer to answer to Question 18 above.

26) Can the electrical one-line diagram for each of the site/meter be provided?

ANSWER: None will be provided for the target sites at the time of the bid. Other than a couple of ground mounted projects which are being separately addressed, most of the projects are relatively small and our expectation is that Respondents will make educated estimates of the installation costs for the relative size of system in several different categories, including size and technology (i.e., roof or parking structures).

27) What are the expected build dates for these projects?

ANSWER: The expectation is to have the identified projects completed by the end of 2015. Permitting of the ground mount sites may extend the timing for these particular sites.

Additional sites for newly participating municipalities are being proposed which will expand the number of locations quite a bit. Depending on size and permitting requirements, the second set of projects is likely to be completed in early 2016.

- 28) With the question and example of the Croton Commuter Lot, there are (3) meters on site and assuming a system a system size of 600KW, which would be 200KW at each meter– if the municipality can use all of that power, is SW recommending (3) separate tie-ins or could we in fact do one larger system in the >200KW program and have only one tie-in?

ANSWER: The municipality is indifferent to which incentive program is utilized and is looking for lowest long term cost of electricity. In the case of the [CROTON TRAIN STATION COMMUTER LOT](#), the system installation site cannot expand much beyond the parameter identified in Exhibit C of Lot F, because Croton-on-Hudson is contemplating installing a garage on the balance of the site. An alternative location there, instead of Lot F identified, would be the Commuter Lots I and J located to the south.

- 29) Have the NYPA customers confirmed their eligibility for remote net metering with NYPA?

ANSWER: Respondents are directed to assume that NYPA customers are eligible for remote net metering.

- 30) The RFP indicates that some sites have multiple meters and asks respondents to assume projects will be interconnected in 200 kW increments, using multiple meters. If we believe it will be more efficient to build a single system up to 2 MW AC that is interconnected using a single meter, we respectfully request the option to propose the single meter configuration instead.

ANSWER: Respondents are free to propose whatever meter configuration will provide the lowest cost of electricity to the individual municipalities. However, as noted herein, other than the capped land fill at White Plains, we do not expect any of the sites to approach 2 MWs. This may change as other municipalities decide to join the MSBG and more sites are identified.

- 31) Since site-specific factors (i.e., distance to point of interconnection, topography, interconnection upgrades, solar insolation) can vary considerably, will there be a process whereby the bid prices can be adjusted to reflect the characteristics of each site?

ANSWER: The bulk of the sites are small sized roof or parking lot projects. It is anticipated that Respondents experienced in these size projects will be able to factor into their pricing allowance for such variances. If it makes for lower and firmer pricing,

Respondents should provide an indication of how such variances would impact their pricing.

- 32) The RFP currently asks for a price that applies to landfills and ground mounts. Landfills typically require ballasted systems and therefore have fundamentally different cost structures than standard ground mounts. We request that bidders be allowed to provide different pricing levels for landfills and non-landfill ground mounts.

ANSWER: This is fine in the case of the ground mounted sites. As noted above, we expect more details on the project size from Weston & Sampson in the coming days.

- 33) Should all pricing include prevailing wage rates?

ANSWER: Yes

- 34) Is the transaction cost based on DC system capacity? Is there a cap on the total transaction cost to be assumed per project? For instance, is the transaction cost for a 2.5 MW DC system \$500,000 (\$200/kW x 2500 kW)?

ANSWER: Yes, please assume DC for transaction cost calculation and assume a cap of \$200,000 for a 1 MW project.

- 35) Page 14 of the RFP requests PPA terms greater than 20 years. Does this mean a 20-year PPA is not acceptable? Is there a preferred PPA term?

ANSWER: The municipalities would prefer a longer term assuming the same first year base pricing. If a shorter term could result in lower first year base cost, then such term will certainly be entertained.

- 36) Will there be a master PPA document signed with Sustainable Westchester? Or individual PPAs signed with each municipality?

ANSWER: Individual PPAs will be signed by each participating municipality.

- 37) The RFP, "...asks Respondents to propose firm pricing for different types of Municipal Sites, which are representative of the ones identified at this time". Is it anticipated that the requested firm pricing be the final price at which projects will be contracted for with each Municipality? Or is it the intent to use this pricing to level offers?

ANSWER: Please refer to answer to [Question 3 posted on June 11, 2015](#).

- 38) Given the NYSERDA block grant structure and the desire for firm pricing, should respondents provide pricing based upon the current block pricing? If so, who bears the risk for a reduction of block grant levels as compared to the requested firm pricing?

ANSWER: All things being equal, Respondents who can bid without a constraint tied to Block levels will be viewed more favorably. Otherwise, indexing should be proposed for what impact a drop in the incentive will have on the base electricity charge.

- 39) The RFP appears to be primarily focused on the Non-Residential incentive program. For system capacities > 200 kW, will the Commercial & Industrial incentive program be considered should project economics be favorable?

ANSWER: Yes

- 40) Understanding that one or more developers may be selected under this process, and that there are economies of scale for a portfolio of potential projects such as this, how should respondents view the potential project volume in light of the desire for firm pricing? It would seem that a developer could be awarded a single project (50 kw) or a significant portfolio (10 MW), resulting in very different economics that would affect the firm pricing in a material way.

ANSWER: Except for the ground mount projects, we do not expect to award the balance of the project to more than 3 bidders, and most likely only 1 or 2. Respondents can indicate a minimum size on which their proposal is based.

- 41) The pricing matrix includes landfills and ground mounted projects in a single price category. Landfill site development typically includes significantly more cost than a traditional ground mounted system. How should respondents view this difference in the requested firm pricing?

ANSWER: The ground mount sites will be dealt with separately from the balance of the sites. As noted above, more detailed design insights are expected from Weston & Sampson in due course.

- 42) New York State Real Property Tax Law, Section 487, provides a 15-year real property tax exemption for solar energy systems constructed in New York State unless a government opts out of the exemption. A review of the list of local bodies that have opted not to offer the exemption suggests that no Westchester County entities have opted out. Can you please confirm?

ANSWER: Please refer to NYS Department of Taxation & Finance (<http://www.tax.ny.gov/research/property/legal/localop/487opt.htm>) for a complete list of taxing entities (including school districts) that have opted out of the exemption provided

under RETL Section 487. As of this date, none of the MSBG participating municipalities have opted out.

- 43) Solar systems that are owned by third party owners, who provide solar electricity to commercial users are exempt from state sales and use tax. Local governments (municipalities and counties) are similarly permitted to grant an exemption from local sales taxes. Can you please identify which RFP participants have opted to offer an exemption from local sales tax? Can you also please provide the local tax rate for those participants that have not opted to offer an exemption from local sales tax?

ANSWER: See Publication 718-CS for a complete list of local sales and use tax rates, by local jurisdiction, on sales and installations of commercial solar systems (<http://www.tax.ny.gov/pdf/publications/sales/pub718cs.pdf>, effective as of March 1, 20015). As of this date, purchases and uses occurring in all Westchester county jurisdictions (with the exception of Mount Vernon, New Rochelle, White Plains and Yonkers) are exempt from New York State and local sales and use taxes.

- 44) Is a drawing, diagram or other visual presentation for every site that a Respondent indicates as feasible a mandatory requirement?

ANSWER: Please refer to answer to [Question 15 posted on June 11, 2015](#).

- 45) There is still some uncertainty on the transaction cost for ground mounts. Let's assume we have the following system sizes (Caps were mentioned in Q 34 of Addendum 2): 1 MWdc; 1.5 MWdc; 2 MWdc; & 2.5 MWdc. What would the fees be?

ANSWER: Respondents can assume a cap of \$200,000 for ground mounted projects that are 1 MW or greater. The reality is that with the current group of ground mounted projects, we do not expect any of them to exceed 1MW. The information coming from Weston & Sampson will provide more design and sizing for these sites. With only 17 of the 38 members of Sustainable Westchester participating to date, we expect more ground mounted projects to be added over time. In order to qualify to win such future projects, it will be necessary to provide a bid for the current RFP.