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 Croton-on-Hudson, NY 10520
Sustainablewestchester.org

MUNICIPAL SOLAR BUYERS GROUP;

Answers to Questions from Interested Respondents as of June 11, 2015

1. Provide guidance on what MW Block incentive levels should be assumed in the pricing within Exhibit D – Bid Submission Form II?

ANSWER: The following table provides a breakdown by region for each of the 17 currently participating MSBG municipalities. We ask that pricing in Exhibit D - Form II assume the level of incentive that is available for the under 200 kW program as of the bid response due date on July 10th (currently second Block for ConEd Region and fifth Block for Update Region). We appreciate that the level of incentives will impact the pricing in Form II, Therefore, Respondents are encouraged to provide a separate matrix for each of the two incentive levels as it relates to projects qualifying for incentives under 200 kW. Selected finalists will be expected to provide indexed pricing for each category in the matrix as the incentive levels decline over time. (See also Question 2 and answer below with respect to incentive for over 200 kW systems.)

Participant #	Name	NYSERDA NY-Sun MW Block
1	Cortlandt, Town	ConEdison
2	Croton-on-Hudson, Village	ConEdison
3	Larchmont, Village	ConEdison
4	Lewisboro, Town	Upstate/ROS
5	Mt Kisco, Village	ConEdison
6	North Salem, Town	Upstate/ROS
7	Somers, Town	Upstate/ROS
8	Eastchester, Town	ConEdison
9	Dobbs Ferry, Village	ConEdison
10	Hastings-on-Hudson, Village	ConEdison
11	Mamaroneck, Town	ConEdison
12	New Rochelle, City	ConEdison
13	Rye Brook, Village	ConEdison
14	Tarrytown, Village	ConEdison
15	Tuckahoe, Village	ConEdison
16	White Plains, City	ConEdison
17	Yonkers, City	ConEdison
Note: Rest of State (ROS) applicable to >200 kW systems.		

2. Now that the Large Scale MW Block Program (over 200 kW) is open, we would like to better understand MSBG’s expectations around project sizes. For instance in Exhibit B, were the number of meters listed in the “Project Details” column included solely for interconnection purposes? Or does it correlate to the expected project size in multiples of 200 kW? For example, does “assume 2 meters” mean you expect a 400 kW project and “assume 4 meters” an 800 kW project?

ANSWER: One of Sustainable Westchester’s main objectives is to demonstrate to their member communities that solar systems can be installed across numerous locations so as to build awareness of the advantages realized from renewable energy resources in terms of lower carbon emissions as well as a reduction in pricing for electricity consumed by the municipalities. The number of meters reflected in Exhibit B indicate the number of municipal owned meters at each location. We expect that locations with only one meter will support system sizes under 200 kW. Locations with multiple meters will support system sizes equal to or greater than the number of meters times 200 kW. For example, it is estimated that the systems at the Croton Commuter Lot can be interconnect with four (4) meters that are in the area near part of the parking area identified as viable location. Therefore, we believe the identified area should support in the range of four (4) 200 kW systems for a total of 800 kW. Respondents should assume the maximum size system up to 200kW per meter that can be developed at each site. In cases where a given site cannot fully utilize the output from the respective solar system, we expect to net meter the excess output to other meter locations owned by the municipality. Accordingly, Respondents can assume that each municipality can utilize the full output from any system.

There are six (6) sites, listed below, which can support systems in excess of the number of meters at the location times 200 kW. Given that these include two (2) green field and four (4) brown field sites, we recognize that these locations are better suited for the new Large Scale MW Block Program. These sites may also have unique structuring aspects particular to their location which does not make for homogeneous pricing as in the case of small roof top or carport designs. We are exploring ways to provide more details for these sites in order to allow for Respondents to be more accurate with their proposals. We will report such additional information in the next round of questions and answers.

Participant	Project Description	Project Details
Cortlandt, Town	99 Acres	Size to maximize capacity
	Broadway & 11 th Street, Buchanan NY	
	Capped Landfill	Size to maximize capacity
	5729 Albany Post Road, Cortlandt Manor NY	
Mt Kisco, Village	Capped Landfill	Size to maximize capacity
	43 Columbus Avenue, Mt Kisco NY	
New Rochelle, City	Ward Acres	Size to maximize capacity
	Quaker Ridge Road, New Rochelle NY	
Rye Brook, Village	Compost site	Size to maximize capacity
	Upper Lincoln Avenue, Rye Brook NY	
White Plains, City	Capped Landfill	Size to maximize capacity
	87 Gedney Way, White Plains, NY	

3. Rather than requiring Respondents to assess and provide pricing for each site in their response, might we suggest that bundled pricing be provided instead?

ANSWER: This is indeed the intent of the Respondent Forms I and II in Exhibit D. As described in the RFP, we are seeking flexibility to include additional sites as participation in the MSBG grows and new locations are identified. At the time of the issuance of the RFP, 17 Municipalities of the 40 members of Sustainable Westchester had officially joined the MSBG and identified sites. Since the issuance, several more municipalities have expressed interest in participating in the MSBG and will be providing additional locations. Therefore, the Respondent(s) awarded this business will need to commit to a fluid program with firm pricing which is bundled by final size of project, type of technology (i.e., roof, parking, or ground mount), and incentive level. Respondent Form I in Exhibit D is intended to provide a general sense of Respondents' thoughts about the viability of the proposed sites. If a site can be developed, we ask for a rough estimate of size of system and projected output for each location. If a location is too small, has shading issues, or other reasons why a Respondent does not see development making sense at such location, Form I is to be used to provide us this information as well. Respondent Form II, on the other hand, requests firm pricing for each type and size range of project based upon the currently available incentives. As noted in the Main Body of the RFP, if Respondents need to break the categories down into smaller or larger system sizes (e.g., four (4) size groups instead of two (2)), you are encouraged to do so. Form II will be used by Sustainable Westchester and their advisors to compare pricing for the overall economics of the proposals. Such pricing will need to apply to future sites not yet identified. We believe the winning Respondent(s) and each municipality will be similarly incented to build out as many projected as possible. Nevertheless, if insurmountable issues surface during the detailed design stage, then such project(s) will be dropped from the program.

4. Tree removal will be required in order to build on many of the proposed sites, in some cases to clear space and in others to prevent shading. Do you have any site-specific information or limitations regarding tree removal?

ANSWER: It should be assumed that tree removal will occur on only a very limited basis, if at all, at any identified site. However, there may be cases where some removal could make sense for the municipalities such as at a DPW, park area, or others. For purposes of Respondent Form I, Respondents should indicate where very limited tree removal would be necessary in order to make a site viable. If extensive tree removal is required, please downsize the project to one that can work with little to no removal or, alternatively, indicate if the site is just not viable without such removal.

5. Is there a "fast track" interconnection and permitting process that Sustainable Westchester has set up in conjunction with ConEd and NYSEG instead of the standard CESIR process? This will help us understand the development needed for each site.

ANSWER: As far as utility interconnection, Sustainable Westchester has no specific "fast track" process formally established with either ConEdison or NYSEG. However, our expectation is that the process will move quickly, especially for the projects under 200 kW. ConEdison in particular has been quite responsive to Solar PV interconnect applications and uses a self-certification process for the smaller projects incentivized through NYSERDA

PON 2112. So the recent experience of attentive solar developers with local interconnection has been positive. In terms of local jurisdictions and permitting, the municipalities are in a position to waive certain zoning requirements for public facilities and to help streamline securing building and electrical permits at the local level for the smaller installations. With ground mounted or parking structures or brown field sites, treated in most local jurisdictions as accessory structures, there may need to be an environmental review under of the New York State Environmental Quality Review Act (SEQRA) (for an overview, see <http://www.dec.ny.gov/permits/6208.html>). All local jurisdictions are very familiar with completing SEQRA forms and processing these reviews. In the case of brown field sites, oversight from the EPA and other state and local environmental authority will need to be consulted.

6. **Is there a plan for a standard municipal tax/PILOT agreement on the projects? This is to help us model in the right assumptions to have a PPA price as low as possible.**

ANSWER: Solar systems are generally exempt from ad valorem and other property taxes in New York State, so no cost should be assumed (see, NY RPTL Section 487). Note: The sales tax exemption for commercial solar PV systems in Westchester County has been in place for a long time and has been recently expanded to include residential systems as well. In addition, New York municipalities do not pay sales tax on consumed goods.

7. **The RFP stated a lease would be put in place for the sites. Will this be a standard lease for all sites and what is the estimated cost (\$/kW or \$/acre)? This is to help us model in the right assumption to have a PPA price as low as possible.**

ANSWER: For the sites which qualify for the under 200 kW incentive program, there will be no charge for use of the sites identified by participants in the MSBG. However, for the large ground mount sites, where the over 200 kW incentive applies, the participating municipalities where these sites are located reserve the right to charge for the site lease. For pricing purposes in the RFP, Respondents should assume no incremental charge. The form of the document may be an easement or site license and will be determined at a later date.

8. **With the bid submissions due July 10th, do you know when the bid will be confirmed (target date for term sheet with final party)? This will allow us to accurately plan for necessary personnel.**

ANSWER: We expect finalists to be selected within two – three weeks of the bid response submission due date.

9. **Does the MSBG expect to develop a form of PPA?**

ANSWER: We expect to use as a template the commercial PPA developed by NREL's Solar Access to Public Capital (i.e., SAPC), which had input from numerous stakeholders across multiple disciplines. This template PPA is subject to certain modifications that will be appropriate for a municipal power purchaser, but we do not envision many changes of this type.

10. **The RFP references multiple awardees. Can we assume you wouldn't want a municipality trying to negotiate with multiple awardees at once?**

ANSWER: We could envision awards being made by technology type, if certain Respondents are competitive, for example on roof mounted sites or alternatively carport

locations. Or it may make sense to split between regions across the county. In the former case, there could be different award made within the same municipality. As noted in the RFP, we expect the participating municipalities to share in a common energy counsel and would expect to use the commercial PPA developed by NREL with changes limited to specific aspects related to their municipal status. Hence, from a legal perspective, we envision very limited negotiations. The larger effort in narrowing down the awardees will be driven by expertise, economics, and ability to be flexible and committed to the development of future sites as they are identified.

11. The NYSEDA program for systems greater than >200 kW (MW Block Program) came out on 5/4/2015. Page 7 of the RFP is not updated with this information. Is the plan to update this?

ANSWER: As noted in the answer to Question 2 above, there are only six (6) sites at the moment which qualify for the over 200 kW incentive program. We expect to provide additional guidance on these locations in due course.

12. It is suggested that Exhibit D Form II be done in a different way. That is consistent with how NYSEDA breaks their programs up between <200 kW and >200 kW.

ANSWER: As noted on page 13 of the RFP, Respondents are free to break out the matrices into as small or large system sizes as it see appropriate as long as the requested information in the three columns is included for each category (i.e., first year price, annual escalation, and estimated time for installation). With the over 200 kW incentive program now available from NYSEDA, there are only six (6) ground mounted sites of the total identified to date which apply to the larger incentive at this time. Hence, the over 200 kW matrix would only need to include ground mounted site at this time.

13. Is it possible for Respondents to bid only certain of the sites?

ANSWER: Yes, but our expectation is to select a limited number of winning bidders to cover the currently identified sites as well as to work with the MSBG as other locations are identified by current or new participating municipalities. We recognize that the six (6) large sites may be more appropriate for certain respondents. There may also be Respondents who have specialization in carports or small rooftop projects. The objective of the MSBG is to select bidders who can develop a significant portion of the sites, realizing that the municipalities expect to demonstrate the viability of solar for a broad range of small to mid-size systems. The MSBG would prefer to select fewer winning developers rather than more to meet this objective.

14. Based upon the evaluation criteria on page 10, it seems like companies are going to be viewed for many different characteristics, and not just price. This makes complete sense, but is it possible for the pricing indications to be indicative instead of firm?

ANSWER: While the six (6) ground mount locations pose unique development implications, the remaining sites are generally representative of small roof or parking installations. For the latter set of 70+ sites, the MSBG will evaluate proposals based on those which have the fewest disclaimers relative to price. The winning Respondent for such locations is being asked for firm pricing because the number of projects will grow as additional municipalities decide to participate. Respondent Bid Submission Form I in Exhibit D asks for estimates for size of system to be installed, general viability of each site, and any comments about each

site. This information is intended to provide insights into the Respondents ability to evaluate such sites on a high level basis. The Respondent Bid Submission Form II in Exhibit D is intended to be the firm pricing that can be offered for projects that fall within a specific size and technology type. If conditions are required to make such pricing “firm”, then Respondents should include such conditions in their bids. The winning Respondent(s) and the participating municipalities will be similarly aligned to develop as many sites at the committed pricing levels as possible. If certain issues arise as the development process is undertaken which would drive up the cost of a given location, then the municipality will have the option to drop such location. Based upon these dynamics, Respondents are encouraged to provide as much in the way of insights into development of the target sites in the comments section of Form I so that evaluation of their expertise for assessing sites can be better ascertained.

15. Page 13 of the RFP requests in addition to the completed forms “1. A site-specific description of the proposed solar solution for each of the Identified Sites (Exhibits B and C) including...” Given 79 sites, would it be possible to demonstrate our expertise rather than such an extensive site by site analysis?

ANSWER: As noted in Question 14 above, Respondents are encouraged to provide as much in the way of specific comments on each target site in order to demonstrate their ability to assess numerous small to intermediate sized projects. We will amend the requirement for site-specific descriptions including capacity, site diagrams, and project layouts for all sites. Instead, Respondents should provide such information for a representative site for each category of site for which pricing is included in Form II.

16. Does page 14 of the RFP presume that a 2MWac system or 2000 kWac system is going to require (2000kWac * \$200) \$400,000 worth of transaction costs?

ANSWER: No. All but the six (6) ground mounted sites involve projects which will be under 200 kW on an individually connected meter basis. For a 200 kW system, the assumed transaction expenses will be \$40,000. These costs cover the work of financial advisors, legal counsel, independent engineering, and oversight by Sustainable Westchester. Separate pricing for the transaction expenses will be provided for the six (6) ground mounted projects in due course.

17. What is the update bid due date?

ANSWER: The updated bid submission due date is Friday, July 10, 2015 for all sites.