PSEG Long Island's
South Fork Resources RFP

EVALUATION GUIDE

December 1, 2015

Approval date: December 1, 2015

PSEG Long Island's Request for Proposals for South Fork Resources

EVALUATION GUIDE

PURPOSE AND BACKGROUND:

The purpose of this document is to set forth a guide for the Selection Committee ("SC") to use in conducting the evaluation of Proposals submitted in response to PSEG Long Island's (PSEG Long Island's) Request for Proposals for **South Fork Resources** issued on June 24, 2015 ("SF RFP").This document is divided into three sections as follows:

- Phase I – Categorize, Summarize, and Check Proposal Contents against RFP Requirements;
- Phase II – Initial Qualitative & Quantitative Proposal Screening Evaluation; and
- Phase III – Proposal(s) Selection Based on Detailed Qualitative & Quantitative Portfolio Evaluation.

Additional information and evaluation methodology are appended to this document and include:

- Appendix 1 – Proposal Completeness Checklist
- Appendix 2 – Benchmarks for Qualitative Evaluation Criteria
- Appendix 3 – PPA Scoring Worksheet
- Appendix 4 – Quantitative Evaluation of Proposals
- Appendix 5 – Qualitative Evaluation Rating Sheet

The results and the basis for all conclusions reached by the SC during each phase of the evaluation process will be documented in the Procurement Record.

DEFINED TERMS

Unless otherwise defined herein, all capitalized terms have the meaning ascribed in the SF RFP, or otherwise used in the electric utility industry.

Agreement – A power purchase agreement setting forth the Commercial Terms for LIPA's purchase of capacity, energy, ancillary services and renewable attributes from a Selected Respondent's proposal or an energy services agreement setting forth the Commercial Terms for PSEG Long Island's purchase of customer side demand reduction services from a Selected Respondent's proposal.

All-In Costs – All costs expressed in dollars that a Proposal is expected to impose on PSEG Long Island's customers, to the extent that the SC is able to quantify such costs, including, but not limited to:

- Agreement charges, including pass through costs and fuel, where applicable
- Costs for required transmission reinforcements
- Costs for required distribution reinforcement
- Savings from Transmission and Distribution System deferrals
- System impacts including, but not limited to, impact on Transmission Transfer Capability, and NYISO capacity requirements and deliverability
- Beneficial system impacts from the timing of the demonstrated Commercial Operation Date
- An assessment of the financial impact of the proposed resource on purchases and sales from the capacity and energy markets, including operating reserves

Benchmark – The standard for rating each Qualitative Evaluation Criteria set forth in Appendix 2.

Best Value – The basis for awarding Agreements to the Respondent(s) which best achieves the criteria specified by PSEG Long Island including, without limitation, quality, cost and efficiency.

Commercial Terms – The basic structure of the Agreement and its terms and conditions, including duration of the agreement, commercial operation date, size of the project, delivery provisions, payment and pricing provisions, termination rights and penalties for non-performance.

Consensus – The rating or ranking (as applicable) as agreed to by the majority of the SC with no SC member being unwilling to support such a rating or ranking.

Demand Response – Resources that result in the reduction of a load in a responsive and measurable manner and within time limits established in the New York Independent System Operator Procedures

Distributed Resources – Generation provided by installations directly connected to distribution facilities or connected to customer facilities behind the customer meter.

Energy Efficiency – A type of energy reduction that is an installed measure or a system on an end-use customer's facility that reduces the total amount of electrical energy and capacity that otherwise would have been needed to deliver an equivalent or improved level of end-use service.

Executive Committee or EC – The committee comprised of PSEG Long Island senior management with advice and support from PSEG. The SC will consult with the EC as necessary throughout the competitive procurement and the EC will provide advice and guidance to the SC accordingly.

Finalist – A Respondent selected by the SC in Phase III, in consultation with the EC.

Levelized Cost **–** The present value of the estimated annual costs of a Proposal or cost component of a Proposal over the term of the Agreement divided by the equivalent present value of the energy (or capacity) that resource is estimated to produce over the same Agreement term. Levelized cost is expressed in $/MWh or $/kW-yr. The cost of a Proposal will include associated infrastructure costs.

Long Island Development **–** The development of projects on or radially connected to Long Island.

MAPS – General Electric's Multi Area Production Simulation Software. MAPS integrates highly detailed representations of a system's load, generation, and transmission into a single simulation to forecast market conditions and calculates hourly production costs in light of the constraints imposed by the transmission system on the economic dispatch of generation.

Mandatory Criteria – The criteria in the Appendix 1 Proposal Completeness Checklist that will be evaluated to determine the Proposals' compliance to the RFP and will be used to determine whether the Proposal can be accepted. If this information is not provided at the Proposal Submittal Deadline, the Proposal will be eliminated from consideration.

Participant Cost Test – The Participant Cost Test compares the benefits of participating in an efficiency program (e.g., savings on energy bills) to the costs of participation (e.g., any increases in up–front costs).

Portfolio Analysis Process – The process outlined in Appendix 4 that uses a consistent set of input assumptions that facilitates the comparison of resources in Phase III.

Procurement Record – The documentation of the decisions made and the approaches taken by the SC in the procurement process, and serves as the basis for the Office of the State Comptroller's ultimate review and approval of the Agreement(s).

Proposal – A proposal submitted in response to the SF RFP.

Proposal Submittal Deadline – December 2nd, 2015, at 3:00PM EST

Proposal Submittal Fee – The fee required to be submitted with Proposals in the SF RFP.

PSEG Long Island – PSEG Long Island LLC and its subsidiary, Long Island Electric Utility Servco LLC, or their subcontractors, as applicable.

Qualitative Evaluation Criteria – The criteria for evaluating the qualitative characteristics and/or impacts of a Proposal set forth in the SF RFP and described in Appendix 2.

Quantitative Evaluation – The Phase II Quantitative Evaluation and Phase III Quantitative Evaluation process(es) described in Appendix 4.

Quantitative Evaluation Criteria – The criteria for evaluating the quantitative impacts of a Proposal set forth in the SF RFP.

Required Criteria – The criteria in the Appendix 1 Proposal Completeness Checklist that will be evaluated to determine the Proposals' compliance to the RFP. However, if this information is absent, Respondents may provide this information after the Proposal Submittal Deadline if it does not result in a material change.

Respondent – An entity that has submitted a Proposal.

RFP Web Site – (1) the web site located at https://www.psegliny.com/page.cfm/AboutUs/Proposals/SouthFork established for the SF RFP.

RFP Data Sheets – the data sheets from the RFP Web Site

Screening Analysis – The analysis performed by the Selection Committee or its support staff (as defined below) using the Screening Analysis Process as part of the Phase II Quantitative Evaluation.

Screening Analysis Process – The process outlined in Appendix 4 that uses a consistent set of input assumptions that facilitates the comparison of resources in Phase II.

Selection Committee or SC – The committee comprised of PSEG Long Island staff that conducts the competitive procurement, including the evaluation of Proposals and selection recommendation(s) to LIPA's Board of Trustees for approval. The SC is supported throughout the competitive procurement by PSEG Long Island staff, attorneys, consultants, and other advisors. From time-to-time, the SC will review the status of its evaluation and significant issues with the EC for the purpose of obtaining its advice and guidance. LIPA participates in the SC's evaluation process in an oversight role.

Selected Respondent – A Finalist whose selection for Agreement negotiations has been approved by LIPA's Board of Trustees.

Semi-Finalist – A Respondent selected during Phase II by the SC, in consultation with the EC, for further evaluation in Phase III.

RECEIPT OF PROPOSALS

Proposals shall be received at the PSEG Long Island offices. As part of the receipt process, the following activities will be completed by a member of the SC.

1. Receive and sign for the Proposal
2. Open the Proposal
3. Time and date stamp one hard-copy of the Proposal
4. Complete the log-in of the Proposal in a "SF RFP Proposal Receipt Log." Each log entry will include the following:

   - Name of the Respondent;
   - Date and time the Proposal was received;
   - Person at PSEG Long Island receiving the Proposal;
   - Amount of Proposal Submittal Fee received;
   - Form of the Proposal Submittal Fee received (e.g., certified check);
   - Method of Proposal delivery (e.g., overnight mail, hand delivery); and
   - Name of the person delivering the Proposal, if hand delivered.

5. Assign a unique 6 digit alphanumeric identifier, e.g. ABC123, to each Proposal.

   - "ABC" represents the first three letters of the Respondent's name. The SC may elect to use a different set of letters for any cases where duplicates arise.
   - "123" represents the sequential Proposals or Options offered by the Respondent starting with 001. The SC may elect to use a different set of numbers for sorting purposes.
   - Example: The first proposal submitted by PSEG Long Island would be assigned the proposal number "PSE001."

After the deadline for Proposal submittal, representative(s) of the SC will meet to review the SF RFP Proposal Receipt Log and do the following, as necessary:

1. Confirm each Proposal has been received on time, in the proper format (e.g., not by e-mail or fax), and accompanied with a Proposal Submittal Fee as specified in the SF RFP.
2. Return any Proposal that is not received on time and/or in proper format.
3. Make available hard-copies and/or electronic copies of the Proposals to the SC, the EC, and its advisors.
4. Distribute the Respondents' RFP Data Sheets and technical modeling data to the SC for review and identification of any modeling gaps.

After review of the Proposals, the SC will prepare and submit to the EC a high level summary of the Proposals received and a determination as to whether each Proposal met the RFP proposal submittal requirements. With the concurrence of the EC, the SC will prepare and send a letter to each Respondent whose Proposal did not meet PSEG Long Island's submittal requirements with such letter stating the reason(s) for rejection.

PHASE I
CATEGORIZE, SUMMARIZE, AND CHECK PROPOSAL CONTENTS AGAINST RFP REQUIREMENTS

Purpose

The purpose of Phase I is to determine the completeness of each Proposal relative to the RFP requirements and clarify and verify information provided.

Process

The SC will review each Proposal to confirm that all requested content is included using the Proposal Completeness Checklist set forth in Appendix 1. Mandatory Criteria are those that will be used to determine whether the Proposal is non-responsive if not compliant by the Proposal Submittal Deadline, while Required Criteria are the criteria in the Appendix 1 Proposal Completeness Checklist that will be evaluated to determine the Proposals' compliance to the RFP. However, if information meeting the Required Criteria is absent by the Proposal Submittal Deadline, Respondents may provide this information after the Proposal Submittal Deadline if it does not result in a material change.

The SC will complete the following tasks as part of Phase I.

1. Complete the Proposal Completeness Checklist for each Proposal and identify areas where information, including any technical modeling data required for the Quantitative Evaluation, is unclear, missing or incomplete.
2. Issue clarifying questions to each Respondent via e-mail. The purpose of such questions will be to clarify and verify information provided in each Proposal.
3. Log the responses received from each Respondent in a clarifying questions matrix and update each Proposal Completeness Checklist.
4. Determine responsiveness of each Proposal, based on its compliance with the Mandatory Criteria and Required Criteria, as well as the Respondent's answers to clarifying questions.
5. Brief the EC on the results of Phase I, including Proposals rejected as non-responsive.
6. Notify any Respondent whose Proposal is eliminated in Phase I with a letter providing an opportunity to request a debriefing.
7. Document the basis for all of the Phase I determinations in the Procurement Record.

PHASE II
INITIAL QUALITATIVE & QUANTITATIVE EVALUATION

Purpose

The purpose of Phase II is to perform an initial evaluation of the Proposals that have advanced to this phase. The evaluation will be performed in accordance with the RFP Qualitative Evaluation Criteria and Quantitative Evaluation Criteria for the purpose of determining which Proposals will advance to Phase III.

Phase II Qualitative Evaluation Process

The Benchmarks for the Qualitative Evaluation Criteria and a description of how each criterion will be measured are set forth in Appendix 2. Not all criteria considered will be assigned the same level of importance.

During the course of the Phase II Evaluation, the SC may ask each Respondent questions in writing about its Proposal via email. The purpose of such questions will be to clarify and verify information provided in the Proposals to help inform both the Phase II Qualitative Evaluation and Phase II Quantitative Evaluation. The SC may also conduct further due diligence on Respondents to verify, clarify and/or augment certain information contained in their Proposals.

Proposals will be organized into groups according to proposed technology and evaluated accordingly. During the Phase II Qualitative Evaluation process, each Proposal shall be evaluated by the SC in this phase using the following process:

1. Review and evaluate each Proposal individually using the Benchmarks for Qualitative Evaluation Criteria contained in Appendix 2 and the rating scale in Table 1 (below). Members of the SC will read and be prepared to discuss their evaluation of each Proposal with the SC.
2. Meet as a team to discuss and identify any need for clarifying questions.
3. Issue clarifying questions through e-mail and conduct any other due diligence as appropriate to enable continued evaluation.
4. Review the responses from the Respondents to clarifying questions and update the clarifying questions log.
5. Meet and discuss, as a group, the rating of each criterion against the Benchmark for that criterion for the purpose of obtaining a Consensus rating for each criterion pertaining to each Proposal.
6. Determine the Consensus rating for each criterion and record such rating on the Qualitative Evaluation Rating Sheet set forth in Appendix 5 for each Proposal.
7. After all criteria have been rated, determine an overall Consensus Phase II Qualitative Evaluation rating for each Proposal (using the rating scale in Table 1 below and the Qualitative Evaluation Rating Sheet set forth in Appendix 5) considering the ratings given to the Proposal on all of the criteria.

8. Document in the Procurement Record all Consensus Phase II Qualitative Evaluation ratings for each Proposal and the basis for such ratings.

TABLE 1: QUALITATIVE EVALUATION RATING

COLOR CODE	RATING
BLUE	NOT APPLICABLE (FOR OPTIONAL AND TECHNOLOGY-SPECIFIC ITEMS)
GREEN	EXCEEDS EXPECTATIONS
YELLOW	MEETS EXPECTATIONS
RED	DOES NOT MEET EXPECTATIONS

Phase II Initial Quantitative Evaluation Process

The Quantitative Evaluation Criteria and a description of how each criterion will be measured are set forth in Appendix 4, Section A.

Selection of Semi-Finalist(s) Proposals

Following completion of the Phase II Qualitative and Quantitative Evaluations, the SC will consider both the Consensus Phase II Qualitative Evaluation ratings and the Phase II Levelized Costs and balance differences in cost against differences in qualitative factors before deciding which Proposals should receive a more thorough evaluation in Phase III.

To determine the Semi-Finalist(s) for further evaluation, the SC will conduct the following activities:

1. Meet and discuss Proposals considering the evaluation results from the Phase II Qualitative and Quantitative Evaluations.
2. Recommend which Proposals should receive a more detailed evaluation in Phase III.
3. Prepare a summary of the results of the Phase II evaluations and recommendations.
4. Review these results with the EC along with the recommendations for Proposals to be evaluated further in Phase III.
5. Document in the Procurement Record the basis for all of the Phase II determinations.
6. Select the Semi-Finalist(s) to be evaluated further in Phase III.

PHASE III
INDIVIDUAL PROPOSAL SELECTION
BASED ON DETAILED QUALITATIVE AND QUANTITATIVE EVALUATION

Purpose

The purpose of Phase III is to identify a portfolio of Semi-Finalist's Proposal(s) that together meet some or all of the objectives of the South Fork RFP, as outlined in Section 1.2 of the RFP. Initially, portfolios will be assembled from the most cost-effective bids based on the Phase II Initial Quantitative Evaluation with the least implementation and reliability risk based on the Phase II Qualitative Evaluation. The Phase III Detailed Quantitative and Qualitative Analyses will evaluate both the total portfolio as well as each Semi-Finalist Proposal included in the portfolio. As part of the Phase III evaluation process, the Phase II analysis and evaluation of each Semi-Finalist's Proposal will be revised, as necessary, based on the SC's due diligence as described below. The composition of the portfolios to be evaluated in Phase III may evolve as the Phase III Detailed Quantitative and Qualitative Evaluations proceed.

Development of Portfolios of Semi-Finalist Proposals

Using the revised evaluation of each Semi-Finalist's Proposal, the SC will assemble portfolios of Proposals that meet some or all of the objectives of the South Fork RFP. Recognizing that there are numerous potential combinations of Semi-Finalist Proposals that can comprise a portfolio, the SC will utilize the following iterative process for assembling portfolios:

1. Based on results from the Phase II Initial Quantitative Analysis of individual Semi-Finalist Proposals, the Semi-Finalist Proposals will be ranked in terms of cost effectiveness.
2. From the most cost-effective bids, the SC will identify the Semi-Finalist Proposals with the least implementation and reliability risk based on the Phase II Qualitative Analysis of individual Semi-Finalist Proposals.
3. The SC will select a combination of Semi-Finalist Proposals whose aggregate load shapes provides adequate coverage of the service delivery hours, as defined in RFP Section 1.2.1.
4. The SC will assess how well the resulting portfolio of Semi-Finalist Proposals meets some or all of the objectives of the South Fork RFP using the Phase III Detailed Qualitative and Quantitative Evaluation Processes.
5. As the Phase III Detailed Quantitative Evaluation Process proceeds, the ranking of individual Semi-Finalist Proposals in terms of cost effectiveness may change. As the Phase III Detailed Qualitative Evaluation Process proceeds, the evaluation of implementation and reliability risk of Individual Semi-Finalist Proposals may change. Consequently, the SC may identify new portfolios of Semi-Finalist Proposals to better assess the tradeoffs between cost effectiveness and implementation and reliability risk.

Phase III Detailed Qualitative Evaluation Process

The SC will supplement its Phase II Qualitative Evaluation for Semi-Finalists, as necessary, based on any responses received to clarifying questions, interviews of Semi-Finalists, site visits and the SC's due diligence.

Phase III Detailed Quantitative Evaluation Process

The Phase III Detailed Quantitative Evaluation as described in Appendix 4, Section B, will refine the Phase II Levelized Cost for each Semi-Finalist's Proposal and determine the cost effectiveness of a portfolio of Semi-Finalist Proposals. The Phase III Detailed Quantitative Evaluation will include and reflect information received in response to clarifying questions, interviews, site visits and other due diligence. This would include an assessment of cost effectiveness of each portfolio evaluated through the calculation of the Levelized Cost of the capacity payments in terms of $/kW-yr and the Levelized Cost of the combined capacity and energy payments in $/MWh for each portfolio as well as each Proposal within the portfolio

The SC will document in the Procurement Record the quantitative ranking of each portfolio and each Semi-Finalist Proposal within each portfolio.

Selection of Finalist Proposals

Following completion of the Phase III Detailed Qualitative and Quantitative Evaluations, the SC will consider the Consensus Phase III Qualitative and Quantitative Evaluation ratings of each portfolio that has been identified and evaluated before deciding which Semi-Finalist Proposal(s) should be recommended for selection as Finalists. The SC will implement the following process for selecting Finalist Proposals.

1. Consider the overall Consensus Phase III Qualitative and Quantitative Evaluation rating of each portfolio of Semi-Finalist Proposals.
2. Create a Consensus ranking of the portfolios of Semi-Finalist Proposals and recommend one of the following options:

- **Option 1**—select no portfolio of Semi-Finalist Proposals for Agreement negotiations; or
- **Option 2**—select one or more portfolios of Semi-Finalist's Proposals representing the Best Value.

If Option 2 is selected, recommend one of the following options:

- **Option 2A**—identify the Proposals in the selected portfolio(s) as Finalists and recommend proceeding with Agreement negotiations; or
- **Option 2B**—designate multiple Semi-Finalist Proposals and request a best and final offer from each Finalist for further consideration in Phase III.

APPENDIX 1
PROPOSAL COMPLETENESS CHECKLIST

The table below shall be used to confirm that information requested in the RFP is provided by each Respondent as part of Phase 1 of the evaluation process.

Mandatory (i.e. proposal deemed non-responsive if not compliant upon Proposal Submittal Date)			
Section	**Requested Information**	**Complies (Y/N/NA)**	**Comments (If Necessary)**
General Requirements			
1.3 – RFP Schedule & Other Relevant Dates	On-time submittal		
3.1.b.ii – General Requirements	Are not conditioned on some other act or omission (other than as required by law), whether or not related to this procurement and the resulting contract. Without limiting the generality of the foregoing, by way of example, a proposal that requests extension of an existing contract with the same company is a conditional proposal.		
3.1.b.iii – General Requirements	Proposal fee included unless waived on account of participation in the 2014 Generation, Storage & Demand Response RFP		
3.1 – General Requirements	Respondent provided the data input workbook, if applicable (for distribution-connected resources).		
Pricing			
3.2.3 – Pricing	Proposed pricing(s) shall include all costs, including license and permitting fees, associated with the installation and delivery of the proposed solution.		
3.2.3 – Pricing	Pricing must include any and all costs to fully meet the 30% NYS Certified Minority and Women Owned Business Enterprise subcontracting goals and the NYS Certified Service-Disabled Veteran-Owned Business goal of 6%.		
3.2.3 – Pricing	Proposals must provide the pricing in standard units such as $/kW-month for capacity and $/MWh for energy products.		
3.2.3 – Pricing	Proposal must provide pricing for ancillary services, if applicable.		
3.2.3 – Pricing	Proposal must provide pricing for black start capability, if applicable.		
3.2.3 – Pricing	Proposal must provide pricing for five and/or ten year extension, if applicable.		
3.2.3 – Pricing	Proposals must provide the pricing for pricing options for a one-year delay in COD, as discussed in RFP Section 2.2.1.		

Pricing			
3.2.3 – Pricing	If the project requires the use of fuel, a fuel cost pass through is not acceptable unless it includes one of the following mechanisms: a) Fixed fuel price for the duration of the contract b) Fuel price formula indexed to a well-known commodity market index Respondents may provide an alternate fuel pricing mechanism that substantially reduces the volatility of fuel prices paid by PSEG Long Island. If this is the case, the alternative pricing mechanisms should be described in sufficient detail to allow PSEG Long Island to evaluate and calculate how fuel prices would behave in the context of various fuel price scenarios.		
3.2.3 – Pricing	Proposal must provide pricing for the Cost of Developer Attachment Facilities recovered through the capacity price.		
3.2.3 – Pricing	Proposal must provide explanation of system upgrade cost recovery method (e.g., pass-through, covered in price).		
3.2.3 – Pricing	Proposal must provide a list and justification of any proposed pass-through costs other than fuel prices.		
3.2.3 – Pricing	Proposal must provide a pricing table for each year from 2016 through 2021 for Load Reduction resources.		
3.2.3 – Pricing	Proposal must provide a line item breakdown and schedule of total costs.		

Resource Overview, Development Plans, Schedule, and Reporting			
3.2.4 – Resource Overview	Proposal must contain a description of each proposed resource solution.		
3.2.4 – Resource Overview	Proposal must contain the location of any proposed facility requiring construction and/or permitting.		
3.2.4 – Resource Overview	Proposal must contain a description of key features and functions of the proposed resource.		
3.2.4 – Resource Overview	Proposal must provide RFP Data Sheets posted on the RFP website.		
3.2.5 – Development Plans and Schedule	If a Proposal includes proposed MWs of load reduction, then it must identify in what Area the reduction(s) are anticipated to be located.		

Load Reduction Resources			
1.2.1 – Load Reduction Resources	Load reduction availability days must include all days of the week.		
1.2.1 – Load Reduction Resources	Service Delivery Hours must cover a portion of the eight hour period between 1:00 p.m. and 9:00 p.m. Eastern Standard Time (EST). PSEG Long Island will accept resources with 2, 4, 6 or 8 hour performance periods. Resources should be dispatchable by PSEG Long Island or have a fixed dispatch time that begins either on the hours of 1 pm, 3pm, 5 pm and 7pm or the Respondent can specify that service is dispatchable at PSEG Long Island's discretion.		
1.2.1 – Load Reduction Resources	Operating Months must include May 1st through September 30th.		
1.2.1 – Load Reduction Resources	Product and/or service must be delivered in the subareas specified in Appendix A, Section A6.		

Additional Requirements			
1.2.3 – Resource Requirements	Proposal includes resources greater than or equal to 100 kW (individually or combined).		
2.1 - Additional Requirements	Proposals should offer a COD of May 1, 2017, May 1, 2018, or May 1, 2019. Each proposal must include pricing options for a one-year delay from the offered COD, at LIPA's option.		
2.3 – Form of Agreement	Proposals should be for a term of 5, 10, 15, or 20 years.		

Required (i.e. at date of proposal submission, absence not immediately deemed non-responsive)			
Section	**Requested Information**	**Complies (Y/N/NA)**	**Comments (If Necessary)**
Cover Letter			
3.2.1 – Cover Letter	The cover letter contains a statement clearly indicating the time period during which the Proposal (including pricing) will remain effective. At a minimum, the Proposal must remain effective through the "Firm Pricing Required Through Date" noted in the RFP Schedule as September 30, 2017.		
3.2.1 – Cover Letter	The cover letter includes contact information for Respondent's primary point of contact, including name, title, address, phone, email, and fax.		
3.2.1 Cover Letter	Respondent must state in the Cover Letter to this RFP if they are also responding to the Renewables RFP with the same project		
3.2.1 Cover Letter	The cover letter is signed by the individual(s) that are duly authorized by the Respondent to make a binding offer to LIPA.		
Executive Summary			
3.2.2 – Executive Summary	The executive summary contains a brief summary (approximately 2 - 3 pages long) of the project's key features, characteristics, and other distinguishing attributes.		
Pricing			
3.2.3 – Pricing	Proposal must provide summary of the pricing proposal.		
3.2.3 – Pricing	If Respondent provided an early COD option, Proposals must provide the pricing.		
Resource Overview, Development Plans, Schedule, and Reporting			
3.2.4 – Resource Overview	Proposal must contain the proposed route of any line or cable required for interconnection to the proposed Point of Interconnection bus.		
3.2.4 – Resource Overview	Proposal must contain a plot plan and elevation drawings of the facility, if applicable.		
3.2.4 – Resource Overview	Proposal includes a single-line diagram of each facility's electrical configuration, from the power generation and/or conversion systems, through the facility substation, and the interconnection line or cable to the Point of Interconnection bus.		
3.2.4 – Resource Overview	Proposal includes a block diagram of the resource.		

Resource Overview, Development Plans, Schedule, and Reporting			
3.2.4 – Resource Overview	Proposal must contain a description of the Respondent's data security and integrity program, if applicable (for Load Reduction resources).		
3.2.5 – Development Plans and Schedule	As applicable, Proposal must provide a development schedule (including timetable for permitting, environmental review, construction, testing, and commercial operation).		
3.2.5 – Development Plans and Schedule	As applicable, Proposal must provide a permitting plan and schedule (including a list of all environmental, regulatory, and other agency/municipal reviews, permits and approvals).		
3.2.5 – Development Plans and Schedule	Proposal must provide a community outreach plan and schedule.		
3.2.5 – Development Plans and Schedule	Proposal must provide a description of community benefits.		
3.2.5 – Development Plans and Schedule	Proposal includes evidence of community support, which can be in the form of correspondence from local elected officials and community groups.		
3.2.5 – Development Plans and Schedule	As applicable, Proposal must provide an equity and debt financing plan and schedule.		
3.2.5 – Development Plans and Schedule	Proposal must provide information about any taxes and/or PILOT agreements and plans for negotiation.		
3.2.5 – Development Plans and Schedule	Proposal must provide information on current site control status and details of plans for obtaining site control.		
3.2.5 – Development Plans and Schedule	Proposal must provide site characteristics (including identification of the zoning for the site and description of whether the proposed project is a permitted use under the local zoning code; a discussion of any known sensitive environmental features on or adjacent to the site such as wetlands, historic properties, ongoing hazardous materials remediation, residences or other sensitive noise receptors; and a discussion of storm resistant features and other reliability features).		
3.2.5 – Development Plans and Schedule	Proposer must provide either demonstration of appropriate local zoning when the Proposal is received by PSEG Long Island or a waiver of local zoning from the involved municipality, or confirmation in writing from the involved municipality that an application for a change in zoning or a granting of a waiver has been made and documentation that indicates that the process can be completed at least one month prior to the "Proposal Selection(s) (planned)" date noted in Table 1-1. For the last alternative, the proposer must provide confirmation that the zoning changed or waiver has been received at least one month prior to the "Proposal Selection(s) (planned)" date.		
3.2.5 – Development Plans and Schedule	Proposal must provide an operations plan, including a maintenance schedule and outage timeframes.		
3.2.5 – Development Plans and Schedule	Proposal includes a fuel supply schedule, if applicable.		
3.2.5 – Development Plans and Schedule	Proposal must provide information about the proposed power production electric interconnection points with the T&D system.		
3.2.5 – Development Plans and Schedule	Proposal includes plans for any necessary electric transmission facilities from the generation source to such interconnection point, if applicable.		
3.2.6 – Status and Reporting	Proposal includes a statement confirming willingness of Respondent to comply with the status and reporting provision listed in the relevant product and/or service Agreement.		

Load Reduction Program Management Capabilities and Calculation of Impact			
3.2.7 – Program	Proposal includes description of ability to manage the Load		

Management Capabilities	Reduction resource being offered, if applicable (for Load Reduction resources).		
3.2.8 – Program Calculation of Impacts	Proposal includes description of proposed methodology for the calculation of capacity and energy impacts along with proposed measurement and verification plan, if applicable (for Load Reduction resources).		

Resource Performance and Environmental Characteristics, as applicable			
3.2.9 – Resource Performance	Proposal includes description of the concept of operations to be employed in the solution, specifically addressing the transition from the Standby to the Transmission Support Mode.		
3.2.9 – Resource Performance	Proposal includes description of any limitations to real and reactive power capability during undervoltage conditions.		
3.2.9 – Resource Performance	Proposal includes description of any known performance limitations that may occur during undervoltage conditions, where voltage drops below 120 V (on the feeder's primary voltage level; 13.2 kV and/or 4.16 kV).		
3.2.9 – Resource Performance	Proposal includes description of the performance of any supplemental devices, including capacitor banks, STATCOMs, SVCs, or synchronous condensers to provide dynamic reactive capability.		
3.2.9 – Resource Performance	Proposal includes description of Isolated Mode operations, if applicable (optional).		
3.2.9 – Resource Performance	Proposal includes description of the approach and simulation tools that will be used to validate compliance with the specified resource's dynamic performance.		
3.2.9 – Resource Performance	Proposal includes contribution of each resource to balanced and unbalanced transmission faults, both near and remote from the resource location, if applicable (if power producing devices are used, other than or in addition to synchronous machines).		
3.2.9 – Resource Performance	Proposal includes description of the approach that will be taken to define the detailed short-circuit contribution characteristics of the resource, in both phase and sequence component formats, if applicable (if power producing devices are used, other than or in addition to synchronous machines).		
3.2.9 – Resource Performance	Load reduction shall be deliverable under any meteorological conditions existing during program operational hours, if applicable (for Load Reduction resources).		
3.2.10 – Resource Environmental Characteristics	Proposal includes a description of the technologies and operational strategies to be used to control air pollutant emissions, as well as related performance, including emission rates (PM10/2.5, NOx, CO, VOC, and NH3) in ppm and lb/hr during normal operation and start up at 32 F, 59 F, and 95F; CO2 emissions in lb/MWh at the design heat rate; exhaust gas characteristics (volumetric and mass flow rate, temperature, moisture), and heat input (MMBtu/hr HHV).		
3.2.10 – Resource Environmental Characteristics	Proposal includes technical characteristics of the water requirements (gallons per minute) and wastewater discharges (gallons per minute) and a description of water and wastewater operational strategies.		
3.2.11 – Fuel Supply Plan	Proposal includes plans for fuel oil storage for a minimum of 5 days of continuous, full power, operation including plans for liquid fuel procurement, supply and transportation, if applicable for a fuel-fired solution.		

Electrical Equipment			
3.2.12.1 – Power Generation Equipment	Proposal includes manufacturer name of each generator, prime mover, and excitation system, if applicable (for proposed solutions that contain any synchronous generators).		
3.2.12.1 – Power Generation Equipment	Proposal includes real (MW) and reactive (MVAR) power ratings of all power generation equipment, if applicable (for proposed solutions that contain any synchronous generators).		
3.2.12.1 – Power Generation Equipment	Proposal includes information about any temporary reactive power capability, including the time constraints of such temporary capability, if applicable (for proposed solutions that contain any synchronous generators).		
3.2.12.1 – Power Generation Equipment	Proposal includes description of the prime mover and the fuel it uses, if applicable (for proposed solutions that contain any synchronous generators).		
3.2.12.1 – Power Generation Equipment	Proposal includes information about generator electrical parameters (e.g., direct and quadrature axis impedances and time constants, inertia), if applicable (for proposed solutions that contain any synchronous generators).		
3.2.12.1 – Power Generation Equipment	Proposal includes information about excitation system characteristics, including ceiling voltage and time response, if applicable (for proposed solutions that contain any synchronous generators).		
3.2.12.2 – Electrical Energy Storage Equipment	Proposal includes manufacturer name of the electrical energy storage medium proposed for each solution, if applicable (for proposed solutions that contain any electrical energy storage).		
3.2.12.2 – Electrical Energy Storage Equipment	Proposal includes energy and power capacity of the electrical energy storage system, as well as that of the individual components, if applicable (for proposed solutions that contain any electrical energy storage).		
3.2.12.2 – Electrical Energy Storage Equipment	Proposal includes list of projects with electrical energy storage capacity similar to the capacity proposed, in which this manufacturer's equipment has been utilized, if applicable (for proposed solutions that contain any electrical energy storage).		
3.2.12.2 – Electrical Energy Storage Equipment	Proposal includes description of any limitations to the operation of the resource solution posed by the electrical energy storage medium, if applicable (for proposed solutions that contain any electrical energy storage).		
3.2.12.2 – Electrical Energy Storage	Proposal includes description of any environmental control systems, including heating or cooling, required for the electrical energy storage medium, if applicable (for proposed solutions that contain any electrical energy storage).		
3.2.12.2 – Electrical Energy Storage Equipment	Proposal includes information about the susceptibility of the electrical energy storage system to any electrical system disturbances, if applicable (for proposed solutions that contain any electrical energy storage).		
3.2.12.2 – Electrical Energy Storage Equipment	Proposal includes information about any degradation of energy storage capacity expected as a result of age or utilization, including an explanation of how this degradation will be addressed (e.g., by planned replacement, redundant capacity) in order to maintain the stated net capability, if applicable (for proposed solutions that contain any electrical energy storage).		
3.2.12.2 – Electrical Energy Storage Equipment	Proposal includes description of any environmental hazards presented by the electrical energy storage medium, including an explanation of how these hazards will be mitigated in both facility design and operation, if applicable (for proposed solutions that contain any electrical energy storage).		

Electrical Equipment			
3.2.12.3 – Power Conversion Equipment	Proposal includes description of the power conversion equipment, including the name of manufacturer, model, and ratings, if applicable (for proposed solutions that contain power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.3 – Power Conversion Equipment	Proposal includes description of the power conversion topology (e.g., two-level voltage source converter, multi-modular voltage source converter, six-pulse thyristor line-commutated converter, etc.), if applicable (for proposed solutions that contain power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.3 – Power Conversion Equipment	Proposal includes information about the effective switching frequency, and whether the switching is synchronous or asynchronous with respect to the grid voltage, if applicable (for proposed solutions that contain voltage-source power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.3 – Power Conversion Equipment	Proposal includes information on whether switching is in any way coordinated between the converters, if applicable (for proposed solutions that contain multiple power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.3 – Power Conversion Equipment	Proposal includes description of any cooling, control power supply, or other auxiliary systems critical to the power conversion, including an explanation of the susceptibility of these systems to any electrical system disturbances, if applicable (for proposed solutions that contain power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.3 – Power Conversion Equipment	Proposal includes information on whether the proposed power conversion equipment has been tested or certified for the ability to ride through voltage or frequency disturbances, if applicable (for proposed solutions that contain power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.3 – Power Conversion Equipment	Proposal includes Information about the harmonic source characteristics of each power conversion equipment for each resource, in terms of magnitude, and whether it is characterized as a harmonic current or voltage source (including non-integer harmonics [inter-harmonics], if present), if applicable (for proposed solutions that contain power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.3 – Power Conversion Equipment	Proposal includes description of the approach that will be taken in the harmonic performance study, if applicable (for proposed solutions that contain power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.3 – Power Conversion Equipment	Proposal includes information on whether any harmonic filters will be used in the solution. If harmonic filters will be used, also provide information on how detuning conditions will be considered in the harmonic performance analysis, if applicable (for proposed solutions that contain power converters used to provide reactive power capability and connected directly to the T&D System).		
3.2.12.4 – Power Transformers	Proposal includes description of the power transformers, including the name of the manufacturer, MVA rating (i.e., OA/FOA), voltage ratings, winding connection, impedance and HV winding BIL, if applicable (for proposed solutions that		

Electrical Equipment			
	contain power transformers connecting each resource to the Points of Interconnection).		
3.2.12.4 – Power Transformers	Proposal includes information on whether the main power transformer has any on-load or off-load taps, if applicable (for proposed solutions that contain power transformers connecting each resource to the Points of Interconnection).		
3.2.12.5 – Power Circuit Breaker	Proposal includes description of the circuit breakers between the main power transformers and the interconnecting lines to the Points of Interconnection. This shall include the name of the manufacturer, type, and ratings.		
3.2.12.5 – Power Circuit Breaker	Proposal includes description of how remote tripping of the facility's HV breaker will be communicated between the substation and the facility.		
3.2.12.6 – Interconnection Lines	Proposal includes information about the circuit lengths and impedance of the proposed interconnection lines from the resource facilities to the Points of Interconnection.		
3.2.12.6 – Interconnection Lines	Proposal includes information about cable type, insulation material, conductor material, core cross-sectional area, and shield configuration.		
3.2.12.6 – Interconnection Lines	Proposal includes information about conductor code, framing, and ground wires.		
3.2.12.7 – Controls and Protection	Proposal includes description of the control and protection system, including control inputs, status indications, monitored parameters, and operational feedback available to the T&D system operator. This shall also include an explanation of the protection system for the AC portion of each facility, including the interconnection lines, and indicate all relaying functions.		
3.2.12.7 – Controls and Protection	Proposal includes description of the control and protection equipment, including the make and model of the protective relays and of the digital fault recorder to be used for each resource.		
3.2.12.7 – Controls and Protection	Proposal includes information about inputs that will be monitored via the digital fault recorder.		
3.2.12.7 – Controls and Protection	Proposal includes information about all events that will be monitored and an explanation of how sequence of events will be recorded.		

Design Studies, Factory Tests, and Commissioning Tests			
3.2.13 – Design Studies	Proposal includes list of all design studies for which results and reports will be provided to PSEG Long Island.		
3.2.13 – Design Studies	Proposal includes schedule of all studies, indicating when data from PSEG Long Island is required and when draft reports will be provided.		
3.2.13 – Design Studies	Proposal includes description of the approach, model (where applicable), data requirements, scope, and expected results for each study.		
3.2.14 – Factory Tests	Proposal includes description of the scope and extent, and the approximate schedule, of the performance demonstrations for the solution.		
3.2.14 – Factory Tests	Proposal includes description of the scope and extent, and the approximate schedule, of the control and protection system hardware real-time tests.		
3.2.14 – Factory Tests	Proposal includes description of the scope and extent, and the approximate schedule, of the power transformer factory tests.		
3.2.14 – Factory Tests	Proposal includes description and approximate schedule of any		

Design Studies, Factory Tests, and Commissioning Tests			
	other factory tests having material importance to the security of the T&D System.		
3.2.15 – Commissioning Tests	Proposal includes description and expected duration of the proposed program for site testing and commissioning.		
3.2.15 – Commissioning Tests	Proposal includes information about any PSEG Long Island support that will be required for performance of the commissioning tests i.e. PSEG Long Island personnel in the substation during commissioning.		
3.2.16 – Training	Proposal includes description of the proposed operator-training program, if any.		
3.2.17 – Field Services	Proposal includes description of field service activities to be performed for equipment installed at sites other than those routinely manned by the Respondent.		
3.2.18 – Maintenance and Support	Proposal includes description of planned maintenance and support activities for the resource.		
3.2.19 – Future Upgrades	Proposal includes description of planned activities to replace critical equipment of a resource due to either superior components becoming available or equipment degradation.		

Design Studies, Factory Tests, and Commissioning Tests			
3.2.20 – Communication Capabilities	Proposal includes description of communication systems incorporated into the resource for reasons of resource control and/or monitoring.		
3.2.20 – Communication Capabilities	Proposal includes solutions that enable cost effective integration between the Respondent's Demand Response (DR) assets and PSEG Long Island's Demand Response Management System (DRMS), if applicable (for Load Reduction resources). If the Bidder's DR asset will not be integrated via a broadband Internet connection over Open ADR or via web services, the Bidder shall describe their proposed integration approach.		
3.2.21 – Customer Interaction Capabilities	Proposal includes description of customer interaction capabilities, such as contacting Load Reduction customers by the aggregator, if applicable (for Load Reduction resources).		

Respondent Information and Qualifications			
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes legal status (e.g., corporation, partnership, limited liability company), date formed, jurisdiction of organization, and identification of any relevant affiliates.		
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes ownership status (e.g., privately held or publicly traded).		
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes guarantor information (same information as line items above in this section), if applicable.		
3.2.22.1 – Basic Information & Relevant Experience	If a consortium submits a Proposal in response to this RFP, the consortium will clearly provide information on its legal form and each of its members, and identify the member responsible for providing all financial security, executing the Agreement, and providing products and/or services (the "Lead Member").		
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes company history and experience in the areas of development, financing, construction/implementation, and operation of resource.		
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes information about any knowledge and experience with NYISO requirements.		

Respondent Information and Qualifications			
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes information about similar electric facilities owned and/or operated by Proposer.		
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes list of completed projects having similarity to the proposed project.		
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes references for the completed projects listed above.		
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes details about EPC contractor's experience, if available.		
3.2.22.1 – Basic Information & Relevant Experience	Proposal includes details about other contractors' experience, if available.		
3.2.22.2 – Financial Information	Proposal includes a detailed description of proposed short- and long-term financing arrangements.		
3.2.22.2 – Financial Information	Proposal includes evidence that financial arrangements are sufficient to support the project through construction and the Agreement term.		
3.2.22.2 – Financial Information	Proposal describes the proposed capital structure for the project.		
3.2.22.2 – Financial Information	Proposal includes a list of all sources of equity and debt financing.		
3.2.22.2 – Financial Information	Proposal includes a schedule showing all major projects developed and financed by Respondent in the past 10 years.		
3.2.22.2 – Financial Information	Proposal provides information about any events of default and/or other credit issues associated with all major projects listed in the major project schedule above.		
3.2.22.2 – Financial Information	Proposal identifies the proposed Guarantor(s) for the project and provides documentation of the Guarantor's creditworthiness, including the three most recent audited financial statements of the Guarantor.		
3.2.22.2 – Financial Information	Proposal includes Respondent's audited financial statements for its three most recent fiscal years.		
3.2.22.2 – Financial Information	If Proposer does not have such financial statements as stated above, Proposal includes audited financial statements from Respondent's parent.		
3.2.22.2 – Financial Information	If the audited financial statements of the Respondent or the Respondent's parent cannot be provided, Proposal includes a statement describing the reasons for non-compliance with this requirement and provides alternate information to demonstrate Respondent's financial capacity to complete and operate the proposed project.		
3.2.22.2 – Financial Information	Proposal includes four references from prior projects developed by the Respondent that employed financing arrangements similar to the arrangements contemplated by the Proposer for the project.		
3.2.22.3 – Resumes of Key Team Members	Proposal includes resumes detailing the experience of key project team members, including experience with the specific type of resource/project being proposed.		

Disclosures and Agreement Redline			
3.2.23 - Disclosures	Respondent provided a disclosure of any instances in the last five years where Respondent, any of its officers, directors or partners, any of its affiliates, or its proposed guarantor (if any) defaulted or was deemed to be in noncompliance with any obligation related		

Disclosures and Agreement Redline			
	to the sale or purchase of any energy related service or was the subject of a civil proceeding for conversion, theft, fraud, business fraud, misrepresentation, false statements, unfair or deceptive business practices, anti-competitive acts or omissions, or collusive bidding or other procurement- or sale-related irregularities.		
3.2.23 - Disclosures	Respondent provided a disclosure of any instances in the last five years where Respondent, any of its officers, directors or partners, any of its affiliates, or its proposed guarantor (if any) was convicted of (i) any felony, or (ii) any crime related to the sale or purchase of any energy related service, theft, fraud, business fraud, misrepresentation, false statements, unfair or deceptive business practices, anti-competitive acts or omissions, or collusive bidding or other procurement- or sale-related irregularities.		
3.2.23 - Disclosures	Respondent provided a signed and completed Contractor Disclosure of Prior Non-Responsibility Determinations, MacBride Fair Employment Principles, Contingent Fee Certification, Non-Collusive Bidding Certification, and New York State Vendor Responsibility Questionnaire/Certification forms, as available on the RFP website.		
3.2.24 - Agreement Redline	"Red-line" mark-up of the Form of Agreement or Contract is included in the Proposal which, if any, uses "Track Changes" in Microsoft Word to indicate any comments, insertions, deletions, or other proposed changes to the Form of Agreement or Contract. Alternatively, if the Proposer accepts the Form Agreement or Contract "as is," provision of a statement accepting the Agreement or Contract.		

Other Requirements			
3.2.25 - Other	Proposal includes definition of all terms and abbreviations used in the Proposal that are not commonly accepted industry terminology or abbreviations and are not defined in this RFP.		
3.2.25 - Other	Proposal includes the following information about the NYS Certified Minority and Women Owned Business Enterprise Subcontracting Goals: a) Minority Business Enterprise (MBE) and Woman Business Enterprise (WBE) proposal data, including a utilization plan detailing how the 15% MBE and 15% WBE participation goals will be met. b) Names of MBE/WBE firms to be utilized and the scope of work each will be performing. c) A copy of arrangement made with the minority or woman-owned business enterprise (MWBE Form 103). d) Respondents who are certified as a New York State MBE or WBE Business shall provide evidence of their certification. Proposers shall complete LIPA's Diversity Questionnaire, which incorporates MWBE Form 101 and 102. e) For full or partial waiver requests, Respondent must document and certify their good faith efforts to meet or partially meet the MWBE utilization goals.		
3.2.25 - Other	Proposal includes the following information about the NYS Service-Disabled Veteran-Owned Businesses: a) Respondents shall identify ways that they intend to achieve the New York State Service-Disabled Veteran-Owned Business goal of 6%. b) Proposers who are certified as a New York State Service-		

Other Requirements			
	Disabled Veteran-Owned Business shall include evidence of their certification.		

Additional Requirements			
2.4 - Treatment of Transmission Costs	All Power Production resource proposals must comply with the NYISO Large Generator Interconnection Procedures, NYISO Small Generator Interconnection Procedure, or LIPA's Small Generator Interconnection Procedures, as applicable.		
2.5 – Firm Pricing Commitment	All proposed contract pricing must be firm and all terms and conditions must be open for acceptance by PSEG Long Island through September 30, 2017.		
2.6 – Separate Pricing for Optional Capabilities	The base offering shall be without the optional capability to operate in the Isolated Mode, if applicable, as described in Appendix B. Respondents electing to offer this optional capability, or any other capability beyond the base requirements of this RFP, shall offer these capabilities as a separately priced option.		

Does the Proposal Contain Load Reduction or Energy Efficiency Projects Yes ☐ No ☐
If yes, fill out Appendix A Checklist
If no, proceed to Appendix B Checklist

Appendix A: Load Reduction Specifications & Other Background Information			
A3.2 – Respondent Responsibilities	Respondent shall be responsible for tracking participant data necessary to measure load reductions during peak reduction events and to evaluate the Program in a form that can be uploaded to a centralized database and/or event notification system. Respondent must discuss the expected results and savings of the Program by year, over the contract period, and the recommended market indicators and metrics to be employed to forecast activity levels and results.		
A3.2 – Respondent Responsibilities	Respondent shall be responsible for supporting the data and informational requirements necessary to perform any independent measurement, verification and/or evaluation by PSEG Long Island.		
A3.2 – Respondent Responsibilities	Respondent shall be responsible for providing a quality assurance and quality control (QA/QC) plan that describes how it shall ensure the accuracy and reliability of the delivered services. The QA/QC plan shall also describe how it will ensure the Program meets PSEG Long Island's quality standards. Respondent must be prepared to adhere to standards of customer service and QA/QC, which equal or exceed industry norms.		
A3.2 – Respondent Responsibilities	Respondent shall be responsible to provide a description of important quality assurance issues and standards, including how load reductions will be regularly monitored, and reporting, tracking and report generation expectations will be met.		
A3.2 – Respondent Responsibilities	Respondent shall be responsible for providing PSEG Long Island with remote access to its entire Program related sales and operations tracking and reporting databases.		
A3.2 – Respondent Responsibilities	Respondent shall be responsible for identifying key program data, decision points and the process it will use to generate reports that fully capture program activity relative to target milestones and goals.		

Appendix A: Load Reduction Specifications & Other Background Information			
A3.2 – Respondent Responsibilities	Respondent shall be responsible for describing their administrative and technical capabilities to manage all of the administrative and implementation functions associated with delivery, tracking, and reporting on the Program.		
A3.2 – Respondent Responsibilities	Respondent shall provide a full marketing plan and timeline, including optional contingency mechanisms and levers to boost enrollment as needed.		
A3.2 – Respondent Responsibilities	Respondent shows evidence of intent to perform all activities associated with maintaining a call center operation including, but not limited to, customer recruitment, handling all types of enrollments, installation scheduling, service call processing, complaint handling and tracking, as well as warm transfer between PSEG Long Island's and Respondent's call center.		
A5 – Voltage Ride-Through Capability	Any load reduction achieved using photovoltaic (PV) generation or electrical energy storage shall use inverters that have voltage ride-through capabilities compliant with California Public Utility Commission Electric Tariff Rule 21, Section H.1.a.(2) and Table H.1. Inverters shall be tested and certified by Underwriter's Laboratory for compliance with these requirements.		

Does the Proposal Contain Power Production Projects as defined in the RFP, Appendix B, Section B1? Yes ☐ No ☐
If yes, fill out Appendix B Checklist
If no, skip this checklist

Appendix B: Power Production Specifications & Other			
B2.2 – Additional Requirements	All devices (generators and storage hardware that produce power) must meet the requirements of NPCC Reliability Reference Directory #12, Under-frequency Load Shedding Program Requirements, including Figure 1 (Standards for setting under frequency trip protection for generators).		
B3 – System Dispatch and Bidding	Respondent shall provide all information required to allow PSEG ER&T to bid the plant in and must agree to provide all information required by the NYISO.		
B4.1 – Storm-Resistant Location and Facilities	Power Production resources and interconnection facilities must be designed to withstand 130 mph winds and to elevate equipment to accommodate updated one-in-500 year flood zones.		
B4.2 – Site Control	Power Production resources shall be located on sites controlled by the Respondent through one of the following: fee ownership, land leases, options to lease or purchase, or equivalent demonstration of site control. Respondent shall provide evidence of such site control and its plan to obtain site control in its proposal.		
B4.3 – Resource Interconnection Point	Power Production resources shall be interconnected to the transmission System at the East Hampton 69 kV bus or at the Montauk 23 kV substation bus.		
B4.4 – Fuel Supply	Where applicable, proposals shall include all fuel-related delivery and storage infrastructure. Proposers must also provide all liquid (i.e. oil) fuel commodity and transportation. For electrical energy storage devices, respondents shall provide all electrical interconnection infrastructure required for power production and charging according to Section B13. Respondents may rely upon LIPA to procure electricity for charging storage devices.		
B4.5 – Environmental Conditions	The environmental conditions used for design and performance calculations shall be no less severe than the values listed in Table B4-1.		

Appendix B: Power Production Specifications & Other			
B5.2 – Steady-State Electrical Characteristics	Power Production resources shall operate without restriction over the transmission system steady-state characteristics provided in Table B5-2.		
B5.3 – Temporary Voltages and Frequencies	For the temporary operating conditions specified in Table B5-3, Power Production resources shall be designed to withstand these conditions without damage or loss of availability, and shall remain functional.		
B7.1 – Site Continuous Power Capacity	Each Power Production resource shall have a net power capacity, measured at the Point of Interconnection, within the range specified in Table B7-1.		
B7.1 – Site Continuous Power Capacity	Multiple units that are required to meet the total capacity requirements shall be interconnected to the substation bus through separate interconnections, with each unit having its own transformer, switchgear, and interconnection line.		
B7.1 – Site Continuous Power Capacity	The Power Production resource and the interconnection to the substation at Montauk shall be designed to avoid the potential for common-mode tripping of capacity greater than this specified maximum individual Power Production unit rating.		
B7.1 – Site Continuous Power Capacity	The energy capability of the Power Production resource at Montauk shall be equal to the rated capacity of the Power Production resource times 40 hours, without recharging of any manner from the power system.		
B7.1 – Site Continuous Power Capacity	The energy capability of the Power Production resource at East Hampton shall be equal to the rated capacity of the Power Production resource times 60 hours, without recharging of any manner from the power system.		
B7.1 – Site Continuous Power Capacity	For Power Production resources designed to operate according to Standby Mode Options 2 or 3, as described in Section B6.1, the durations of operation in the Transmission Support Mode, following triggering, may extend as long as 72 hours for the East Hampton Power Production resource, and 120 hours for the Montauk Power Production resource, with energy required over this period as described in (c.) and (f.) above. For Power Production resources using fuel-based generation, the Respondent's fuel storage and fuel delivery logistics plans shall be based on supply of this amount of energy.		
B7.1 – Site Continuous Power Capacity	For Power Production resources using energy storage, the energy amounts shown in Table B7-1 shall be available without any recharging from the T&D System.		
B7.1 – Site Continuous Power Capacity	At voltage levels less than 0.95 p.u. of nominal, each Power Production resource shall be capable of delivering real current (current in phase with the voltage) equal to the real current required to deliver rated power at 0.95 p.u. voltage.		
B7.2 – Reactive Power Capacity	Each Power Production resource shall have a continuous reactive power capacity, variable over the range between the lagging and leading values specified in Table B7-1 at all levels of real power, from zero up to and including the rated power capacity. This reactive power capacity shall be available at all times when in the Standby, Transmission Support, and optional Isolated modes.		
B7.2 – Reactive Power Capacity	At voltage levels less than 0.95 p.u. of nominal, each Power Production resource shall be capable of delivering reactive current (current in quadrature with the voltage) equal to the reactive current required to deliver the specified reactive power capacity at 0.95 p.u. voltage.		
B8.2 – Availability Warrantee	The Respondent shall warrant at least 95% annual availability for each Power Production resource.		

Appendix B: Power Production Specifications & Other			
B10.1 – Automatic Voltage Regulator	Each Power Production resource shall have an automatic voltage regulator that controls the reactive power output of the Power Production resource, and is capable of regulating the Point of Interconnection voltage to a reference magnitude with a droop function. The reference magnitude shall be adjustable to include at least the range of 95% to 105% of the nominal voltage, and the droop function adjustable between 2% and 10%. Voltage regulation reference magnitude and droop parameters shall be remotely controllable by dispatch.		
B10.2 – Frequency Regulation	Each Power Production resource shall have primary frequency response (governor) control capability, adjusting the Power Production resource's real power output in response to deviations in frequency from 60.0 Hz, with a droop function. The frequency droop shall be adjustable from 0% to 10% (percent frequency deviation causing a power reference change equal to the rated power).		
B10.4 – EMS System Interface	Energy Management System interfaces (SCADA RTU) shall be provided by the Respondent, and shall be located at each Power Production resource site and interconnected with the Power Production resource controls to facilitate dispatch of the Power Production resource by the PSEG Long Island System Operator.		
B11.1 – Black Start Capability	The Power Production resource shall have the capability to start without any external source of electrical power, if applicable (for isolated operation).		

APPENDIX 2
BENCHMARKS FOR QUALITATIVE EVALUATION
EVALUATION CATEGORIES AND CRITERIA:

The table below defines the criterion for the Phase II Qualitative Evaluation with a description of how each criterion will be measured qualitatively for each Proposal. In general, the grading will be as follows:

Blue: Not applicable (for optional and technology-specific items)
Red: Does not meet expectations
Yellow: Meets expectations
Green: Exceeds expectations

Item	Criteria	Blue	Red	Yellow	Green
A	**Conformance with technical requirements outlined in [the RFP].** The SC will review each proposal for conformance to the technical requirements in the RFP.	Blue rating is not applicable for this criterion.	The Proposal does not conform to one or more technical requirements, as stated in the RFP.	The Proposal conforms to the technical requirements, as stated in the RFP	The Proposal exceeds one or more of the technical requirements, as stated in the RFP.
B	**Proposal contains microgrid flexibility option:** The SC will review each proposal for microgrid flexibility and compare the Proposal to PSEG Long Island's need for the service.	Option not proposed.	Red rating is not applicable for this criterion.	Proposal provides evidence of equipment that does not meet the special requirements for isolated operation, as stated in the RFP, or the service offered is not compatible with PSEG Long Island's needs.	Proposal meets the special requirements for isolated operation, as stated in the RFP, and PSEG Long Island could benefit from the service.
C	**In-Service date flexibility (ability to install earlier if needed):** Respondents are encouraged to propose an alternative COD earlier than the proposed COD. The SC will rate Proposals based on their feasibility to meet an early COD.	Option not proposed.	Red rating is not applicable for this criterion.	Proposal includes an option for early COD but the project development plans and schedule (e.g., development schedule, community outreach plans, and financing plans) provide processes and schedules that leave significant doubts with respect to meeting the early COD.	Proposal includes an option for early COD and contains sufficient evidence that the Project will achieve the proposed early COD based on a review of the proposed project development plans and schedule (e.g., development schedule, community outreach plans, and financing plans) and comparing it to plans and schedules for other like projects.

Item	Criteria	Blue	Red	Yellow	Green
D	**Sizing flexibility (ability to reduce the magnitude of the proposed MW reduction):** Montauk and East Hampton substations have minimum and maximum limits for the connection of new resources. The flexibility to reduce the proposed MW reduction by an individual energy efficiency or demand response proposal aids in the development of a portfolio of projects that could satisfy reliability needs at the least cost. The SC will rate Proposals based on their ability to reduce their proposed reduction.	Blue rating is not applicable for this criterion.	Red rating is not applicable for this criterion.	The proposed MW reduction of the energy efficiency or demand response proposal cannot be reduced	PSEG has the option to reduce the proposed MW reduction of the energy efficiency or demand response proposal
E	**Feasibility of the fuel supply plan, where applicable:** Proposers have been asked to provide information about their fuel supply plan, including contract term, fixed and variable costs, price escalation factors, quality of service (firm, secondary firm, interruptible), and other factors that affect price or quality of service. The SC will rate Proposals based on their feasibility.	Project does not require fuel.	Proposal addresses fuel supply plan, but lacks full definition of cost and/or scope of construction. Alternatively, proposal contains information leaving the SC with some doubts whether fuel supply plan is feasible.	Same as GREEN, but fuel supply plan costs are estimated and subject to further refinement.	As applicable, proposal demonstrates that fuel supply plan is feasible and has been fully defined with costs for (a) natural gas, recognition of any build-out or reinforcements of the interstate pipeline system and/or local improvements required by the local distribution company based on discussions with the relevant pipeline(s) and/or LDC, (b) natural gas, realistic, indicative pricing to provide transportation service from a natural gas trading hub to the project, and/or (c) other fuels, recognition of any infrastructure improvements required for the procurement, transportation and/or storage of supply.
F1	**Development and Schedule Risk:** Proposers have been asked to provide a development and construction schedule as part of their Proposals which the SC will assess in this criterion. The SC will consider the completeness and feasibility of the proposed project implementation and evaluate the likelihood of meeting the milestone dates and expected performance.	Blue rating is not applicable for this criterion.	Development tasks or schedule lacks critical details and/or contains large discrepancies with what is reasonably achievable.	Development tasks or schedule lacks non-critical details and/or contains minor discrepancies with what is reasonably achievable.	Development tasks and schedule contains permitting, environmental review, implementation, construction, testing and commercial operations information that is reasonable and feasible to achieve in the allotted timeframe.

Item	Criteria	Blue	Red	Yellow	Green
F2	**Risk of maintaining performance throughout the contract term:** The SC will consider the expected performance.	Blue rating is not applicable for this criterion.	Unacceptable risk that performance guarantees (e.g., availability, forced outage rate, efficiency) cannot be achieved.	Low risk of not meeting performance guarantees.	Likely that performance guarantees can be exceeded.
G1	**Site Control – Ownership:** Issues to be considered with respect to the project site include: whether the site is owned or leased (and for what term) by the Proposer, or, if not, whether the Proposer has executed an option to lease/purchase, a Memorandum of Understanding ("MOU") or a Letter Of Intent ("LOI") for the project site; and whether there are any significant issues that could prevent the Proposer from obtaining timely site control or beginning construction on the proposed site.	Project does not require a site.	Proposal identifies plans for obtaining site control, but does not have MOU, LOI, option to buy, or other evidence supporting plans to obtain site control.	Proposal contains plans for obtaining site control (MOU, LOI, option to buy) without any significant issues identified, but some concerns regarding the proposed project's ownership have been identified.	Proposal contains evidence of site control (ownership, lease of land) and assurance of maintaining site control for the PPA term.
G2	**Site Control – Zoning:** Issues to be considered with respect to the project site include: issues with site characteristics, including identification of the zoning for the site and a description of whether the proposed project is a permitted use under the local zoning code.	Project does not require a site.	Appropriate zoning or waiver is not in place at this time (if zoning or waiver is not in place 30 days before the selection date, the proposal may be disqualified).	Proposal provides confirmation that the zoning is suitable for the proposed development or has a waiver of zoning that allows the project to proceed.	Not applicable for this criterion.
H	**Ability to Permit Project:** The SC will examine the Proposer's permitting plan and schedule and the likelihood that the Proposer can obtain required permits. This examination will include whether the Proposer has identified the relevant permits and approvals necessary for construction and operation of the proposed Project, as well as other factors associated with the type of Project proposed.	Project does not require a site.	Proposal permitting plan and schedule show evidence of significant permitting risks and/or the Proposer does not demonstrate a good understanding of the Federal, State, and local permits (including environmental, regulatory and other agency/municipal permits and approvals) that will need to be obtained (and when) to allow construction of project to meet the COD.	Proposal permitting plan and schedule show evidence of minimal permitting risks.	Proposal has all required permits.

Item	Criteria	Blue	Red	Yellow	Green
I	**Ability to Meet Proposed In-Service Date**: The SC will evaluate the likelihood of the proposed project meeting the COD of May 1, 2017, May 1, 2018, or May 1, 2019, and an option for a one year delay to the offered COD.	Blue rating is not applicable for this criterion.	The proposed project development plans and schedule (e.g., development schedule, community outreach plans, and financing plans) provide processes and schedules that leave significant doubts with respect to meeting COD.	Proposal contains sufficient evidence that the Project will achieve the proposed COD based on a review of the proposed project development plans and schedule (e.g., development schedule, community outreach plans, and financing plans) and comparing it to plans and schedules for other like projects.	Not applicable for this criterion.
J	**Exceptions to Agreement:** The RFP requests that Proposers review and complete several sections of the Agreement, including Appendices, and provide alternative contract language to any proposed exceptions to the Agreement. The SC will review the proposed changes and alternative contract language in several key areas to assess the number and extent of exceptions, the benefits and risks such exceptions impose on PSEG Long Island/LIPA and the likelihood PSEG Long Island would be able to negotiate an acceptable Agreement with the Proposer. See Appendix 3 – Agreement Scoring Worksheet.	Blue rating is not applicable for this criterion.	The Proposer takes exceptions to the proposed Agreement and such exceptions expose PSEG Long Island/LIPA to significant additional risks compared to those in the proposed Agreement.	The Proposer takes exceptions to the proposed Agreement; however, such exceptions expose PSEG Long Island/LIPA to only minimal additional risks compared to those in the proposed Agreement.	The Proposer either takes no exceptions to the proposed Agreement or the proposed exceptions expose PSEG Long Island/LIPA to no greater risk than does the proposed Agreement.
K1	**Financing Plan:** The SC will evaluate the Proposer's proposed financing plan to determine its feasibility and conformance to the realities of the current economic market and the Proposer's (or Proposer's parent) experience and success in financing projects of a similar size and complexity.	Blue rating is not applicable for this criterion.	Proposal contains a financing plan that provides little or no evidence of experience in financing projects of a similar size and complexity.	Proposal contains a financing plan that provides evidence of experience in financing projects of a similar size and complexity.	The project is already financed or the Proposal contains a financing plan that uses an existing financial vehicle to finance the proposed project.
K2	**Financial Qualifications**: The SC will determine if the Proposer has a debt and equity financing commitment for the project that will be provided by a creditworthy entity that is likely to be acceptable in form and substance to PSEG Long Island.	Blue rating is not applicable for this criterion.	Proposer does not have a working relationship with a creditworthy entity and/or PSEG Long Island has doubts that the Proposer will be able to finance the Project.	Proposer has applied for a financing commitment provided by a creditworthy entity or has a working relationship with such an entity such that PSEG Long Island has reasonable assurance that the Proposer will be able to obtain financing for the Project.	Proposer has received a financing commitment provided by a creditworthy entity.

Item	Criteria	Blue	Red	Yellow	Green
K3	**Management Experience:** The SC will evaluate the proposed management team to determine whether such personnel have sufficient experience (as applicable to this type of project) to manage development, construction, and operation of the proposed Project and recruit participants and implement energy efficiency and demand response programs.	Blue rating is not applicable for this criterion.	Proposer has staff with little or no experience in managing the development, construction, and operation of projects and recruitment and program implementation of a similar size and type as the proposed Projects.	Proposer has staff with some experience in managing the development, construction, and operation of projects and recruitment and program implementation of a similar size and type as the proposed Project.	Proposer has staff with extensive experience in managing the development, construction, and operation of projects and recruitment and program implementation of a similar size and type as the proposed Project.
K4	**Experience with Long Island Development:** The SC will evaluate the proposed suppliers and subcontractor's experience and success in developing projects in New York State and in particular, Long Island.	Blue rating is not applicable for this criterion.	Proposal includes subcontractors and/or suppliers with limited experience in developing projects in New York.	Proposal includes subcontractors and/or suppliers with sufficient experience in developing projects in New York, but lack experience in developing project on Long Island.	Proposal includes subcontractors and/or suppliers with extensive experience in developing projects on Long Island.
K5	**History of equipment reliability over claimed lifetime**: The SC will evaluate whether the project's equipment and technology has been commercially proven and is consistent with expected regulatory requirements, or if there are concerns about the long-term operation of the equipment or its manufacturer.	Blue rating is not applicable for this criterion.	Proposal provides evidence of equipment that does not have a record of proven commercial reliability and/or is not consistent with expected regulatory requirements and/or has an unknown history of reliability.	Proposal provides evidence of equipment that has proven commercial reliability and is consistent with expected regulatory requirements.	Proposal provides evidence of equipment that has proven commercial reliability, is consistent with expected regulatory requirements, and includes non-standard equipment that provides additional reliability, cost, or operational benefits to PSEG Long Island.
K6	**Reasonableness of Claimed Per-Unit Load Reduction (where applicable):** For Load Reduction resources, the SC will determine the feasibility of the reduction identified in the proposal.	Project does not include Load Reduction resource(s).	The claimed per-unit load reduction contains one or more unreasonable assumptions or there is significant doubt that load reduction resources will come online when called upon.	The claimed per-unit load reduction is reasonable and appears to assure that load reduction resources will come online when called upon.	The claimed per-unit load reduction is conservative and it appears that more load reduction resources will come online when called upon than claimed in the Proposal.
K7	**Expected accuracy of Proposed Measurement & Verification Plan:** The SC will determine the execution risk (feasibility, credibility, implementation, perceived non-compliance) of the project.	Project does not include Load Reduction resource(s).	The Proposed Measurement & Verification Plan is lacking details and significant execution risk has been identified.	The Proposed Measurement & Verification Plan contains sufficient detail and execution risk is acceptable.	The Proposed Measurement & Verification Plan contains exceptional detail and minimal execution risk has been identified.
L	**Black Start Capability**: The SC will review each proposal for Black Start capability, and compare the Proposal to PSEG Long Island's need for the service.	Project either does not offer this option or proposed option does not appear to be feasible.	Red rating is not applicable for this criterion.	Proposal meets the black start capabilities as given in RFP requirements.	Proposal substantially exceeds the black start capabilities as given in RFP requirements

Item	Criteria	Blue	Red	Yellow	Green
M	**Contractor Experience**: The SC will evaluate the proposed contractor's experience and success in developing projects of a similar design and size to the proposed project.	Blue rating is not applicable for this criterion.	Proposal includes principal contractors with limited experience with projects of similar size, scope, and complexity; or, the Proposal lacks sufficient criteria that would be used to select major contractors that have experience with projects of similar size, scope, technology, and complexity.	Proposal includes specific criteria that will be used to select major contractors that have experience with projects of similar size, scope, technology, and complexity.	Proposal includes principal contractors that have experience with projects of similar size, scope, technology, and complexity.
N	**Operating Flexibility:** The SC will evaluate the extent to which PSEG Long Island can dispatch – start, stop, and cycle – the proposed project as evidenced by the project's ability to efficiently operate over a wide range of power output levels; provide start-up flexibility (startup time, min shutdown time, allowable starts/day); and to provide partial load operation.	Blue rating is not applicable for this criterion.	The proposed project does not meet the RFP requirements for operating flexibility.	The proposed project meets the RFP requirements for operating flexibility.	The proposed project offers PSEG Long Island additional operating flexibility beyond the RFP requirements.
O	**Integration with T&D System**[1]: The SC will evaluate the project's technical characteristics in order to identify those projects that address PSEG Long Island's System needs as defined in the RFP and PSEG Long Island's electric resource plans. The SC will evaluate risk to short-term operations (adverse impacts to voltage, power factor, reach/protection, backflow, etc.) and long-term reliability. Finally, the SC will also evaluate each proposed project for potential issues related to the feasibility, timing, and cost that could affect the project's ability to interconnect to the system or meet the COD.	Blue rating is not applicable for this criterion.	Proposal is not consistent with PSEG Long Island's System needs, electric facilities are anticipated to encounter siting or permitting obstacles that could delay the project, or there are significant short-term operations or long-term reliability risks.	Proposal is consistent with PSEG Long Island's System needs. Short-term operations or long-term reliability risks are acceptable. In addition, electric facilities are not anticipated to encounter any significant obstacles with respect to siting or permitting of the interconnection facilities.	Proposal is consistent with PSEG Long Island's System needs and no short-term operations or long-term reliability risks exist. Electric facilities are not anticipated to encounter any significant obstacles with respect to siting or permitting of the interconnection facilities. In addition, the project maximizes the benefits of the point of interconnection constraints.

[1] RFP Table 5-2 lists criterion O as "Integration with T&D System, including ability to meet a COD earlier than planned date." The evaluation of the ability to meet a COD earlier than planned date is covered by line item C.

Item	Criteria	Blue	Red	Yellow	Green
P	**Ability for resources to be controllable by PSEG Long Island's Electric System Operator:** Energy Management System interfaces (SCADA RTU) shall be provided by the Respondent, and shall be located at each Power Production resource site and interconnected with the Power Production resource controls to facilitate dispatch of the Power Production resource by the PSEG Long Island System Operator. Voltage regulation reference magnitude and droop parameters shall be remotely controllable by dispatch.	Blue rating is not applicable for this criterion.	The Project does not meet the interface requirements for control by PSEG Long Island's Electric System Operator.	The Project meets the interface requirements for control by PSEG Long Island's Electric System Operator.	Not applicable for this criterion.
Q	**Community Impacts:** The SC will review the proposal for potential socioeconomic benefits and harm to the community.	Blue rating is not applicable for this criterion.	Proposal includes evidence of significant negative community impacts (e.g. visual or noise impacts).	No community impacts are identified in the Proposal, or negative community impacts appear to be offset by positive community impacts.	Proposal includes evidence of positive community impacts (e.g. job creation, increased tax base, utilization of abandon brownfield site) and the absence of any significant negative community impacts.
R	**Community Acceptance**: The SC will assess known community support or opposition of a Proposer's project including the Proposer's plan to manage community relations.	Blue rating is not applicable for this criterion.	The Proposal includes no evidence of community support for the proposed project and/or there is known significant opposition to the project.	The Proposal includes evidence of community support for the proposed project, but there is evidence of some opposition.	The Proposal includes evidence of community support for the proposed project with no known opposition.
S	**Environmental Impacts**: The SC will assess the proposed project's overall impact on the environment and whether the project will likely result in a number of potentially significant environmental impacts and the degree to which potential impacts can be satisfactorily mitigated. This will include an examination of any known sensitive environmental features on or adjacent to the site such as wetlands, historic properties, ongoing hazardous materials remediation, residences or other sensitive noise receptors and a discussion of storm resistant features and other reliability features to determine the suitability of the project at the proposed site location.	Blue rating is not applicable for this criterion.	Proposal provides evidence of potentially significant adverse impacts, and the ability to mitigate them at a reasonable cost is doubtful.	Proposal provides evidence of potentially significant adverse impacts that are likely to be mitigated at a reasonable cost.	Proposal provides evidence of no significant adverse impacts.

Item	Criteria	Blue	Red	Yellow	Green
T	**Firm's overall diversity and commitment to equal opportunity programs, including status as a certified MWBE or a firm's demonstrated ability to meet the MWBE subcontracting goals with NYS certified MWBE firms.** The SC will review the Proposal's ability to meet the MWBE participation goals. In Phase II, the Proposal will initially be evaluated as received. If feedback is received from the Governor's Office during Phase II, the current status of the Governor's Office determination will be used. In Phase III, the Proposal will be evaluated based on feedback from the Governor's Office.	Blue rating is not applicable for this criterion.	Proposal does not provide documented good faith efforts to meet or partially meet the 15% MBE and 15% WBE participation goals, or a full waiver has been applied for, or the Governor's Office has rejected the Proposal's MWBE plan.	Proposal provides documented good faith efforts to partially meet the 15% MBE and 15% WBE participation goals. Or, the MWBE waiver has been approved by the Governor's Office and the SC has verified that any proposed MWBE firm are NYS Certified.	Proposal includes MWBE plan that meets or exceeds the 15% MBE and 15% WBE participation goals. SC has determined that the plan is acceptable and has verified that the firms are NYS Certified MWBE firms.
U	**Firm's demonstrated commitment to certified NYS Service-Disabled Veteran-Owned Businesses (SDVOB) or a firm demonstrates that they are certified as a NYS Service-Disabled Veteran-Owned Business.** The SC will review the Proposal's ability to meet the NYS Service-Disabled Veteran-Owned Businesses participation goal.	Blue rating is not applicable for this criterion.	Proposal does not provide documented good faith efforts to meet or partially meet the 6% SDVOB participation goal.	Proposal provides documented good faith efforts to partially meet the 6% SDVOB participation goal and the SC has determined that the plan is acceptable and has verified that any proposed SDVOB firm are NYS Certified.	Proposal includes SDVOB plan that meets or exceeds the 6% SDVOB participation goal. SC has determined that the plan is acceptable and has verified that the firms are NYS Certified SDVOB firms.

APPENDIX 3
PPA SCORING WORKSHEET

The RFP requests that Proposers review and complete several sections of the PPA, including Appendices, and to provide alternative contract language to any proposed exceptions to the PPA. The SC will review the proposed changes and alternative contract language in several key areas to assess the number and extent of exceptions, the benefits and risks such exceptions impose on LIPA and the likelihood PSEG Long Island would be able to negotiate an acceptable PPA with the Proposer. For the purposes of clarity, the PPA discussed in this section will be LIPA's PPA , but it will be negotiated for LIPA by PSEG Long Island as LIPA's agent.

Following are the key sections of the PPA that will be considered by the SC in developing their rating of "Exceptions to PPA" in Appendix 2. Capitalized terms not defined in this Evaluation Guide shall have the meaning set forth in LIPA's proposed PPA.

1. **Term, Early Termination, PPA Effectiveness:** LIPA requires a base term of 20-years for all contracts except for Demand Response. This category will consider the length of the base term, the nature and extent of proposed Seller's early termination rights, any proposed deadlines for the occurrence of PPA effectiveness, and the extent to which such terms impose risks on LIPA.

2. **COD, Commercial Operation and Financial Obligation:** The SC will consider the acceptance of or proposed exceptions to the PPA's provisions relating to conditions for Commercial Operation, the seller's financial obligations, liquidated damages, or contingencies on obtaining financing and the benefits and/or risks any such exceptions impose on LIPA.

3. **Pricing Provisions:** The SC will evaluate the extent to which performance tied to proposed pricing provisions contain acceptable levels of risk to LIPA. The SC will ascertain whether all proposed contract pricing is firm and all terms and conditions open for acceptance by PSEG Long Island through September 30, 2017. The SC will assess whether pricing is either fixed, subject to adjustment based on publicly available indices, or pass-through, and whether the pass-through costs are adequately defined. Based on the information provided the SC will develop an estimate for non-fuel pass-through costs at a 95% confidence interval. This estimate will be used for all economic analyses.

4. **Security:** The SC will evaluate the proposed exceptions to Security provisions to determine the extent to which they meet the provisions set forth in LIPA's proposed PPA, including an agreement to provide an acceptable Letter of Credit, or a Guaranty by the dates and in the amounts set forth in the PPA and that the provisions contain acceptable levels of risk to LIPA.

5. **Events of Default:** The SC will evaluate the proposed Events of Default provisions including all termination exceptions and proposed remedies for Events of Default to

determine the extent to which any exceptions or proposed remedies impose additional benefits and/or risks to LIPA compared to those in LIPA's proposed PPA.

6. **Energy Delivery:** The SC will evaluate the proposed energy delivery protocols to determine the extent to which any exceptions impose additional benefits and/or risks to LIPA compared to those in LIPA's proposed PPA.

7. **Other Benefits/Risks:** The SC will consider any other proposed provisions included in the PPA, including Change in law, Force Majeure and Taxes, to evaluate what additional benefits and/or risks they provide to LIPA.

APPENDIX 4
QUANTITATIVE EVALUATION OF PROPOSALS

The Quantitative Evaluation of Proposals will be performed in Phases II and III of the Proposal evaluation. The major phases and analyses in each phase are set forth in Table 4-1.

Table 4-1: Quantitative Evaluation – Summary of Analysis by Phase

A. Phase II – Initial Quantitative Evaluation
- Initial Avoided Cost Transmission Analysis
- Technology Performance Analysis
- Renewable Energy Credit
- Screening Analysis Process

B. **Phase III – Detailed Quantitative Evaluation**
- Detailed Avoided Cost Transmission Analysis
- Technology Performance Analysis
- Renewable Energy Credit
- Portfolio Analysis Process

A. PHASE II INITIAL QUANTITATIVE EVALUATION

Proposals will be organized into groups according to proposed technology and evaluated accordingly. The Phase II Initial Quantitative Evaluation will estimate Levelized Cost for each Proposal on both a dollar per MWh and dollar per kW-year basis, using the process outlined below.

Initial Avoided Cost Transmission Analysis

1. Perform a preliminary analysis of each Proposal based on available data from previous and current transmission studies to estimate the avoided cost of deferring any LIPA transmission system reinforcement.
2. Calculate the annual avoided costs and net present value of deferring transmission projects based on actual deferral years for projects applicable to each area as defined by Figures A6-1, A6-2, and A6-3 in the SF RFP.

Technology Performance Analysis

1. Organize the Proposals into groups of similar technology types (e.g., gas turbines, reciprocating engines, load reduction, battery storage, etc.)
2. For each technology type, estimate the likely load shape, e.g., amount and timing of generation, charging, and/or load reduction.
3. Provide technology performance analysis output to the SC.

Renewable Energy Credit

1. Identify Proposals with renewable resource technologies that would qualify as renewable technologies in PSEG Long Island's RFP for Renewable Resources that is expected to be issued in December 2015.
2. Using the likely load shape, e.g., amount and timing of generation, charging, and/or load reduction, determined in the Technology Performance Analysis, estimate a credit for each Proposal in terms of the avoided cost of procuring additional renewable resources through the RFP for Renewable Resources.
3. Provide the renewable energy credit estimate to the SC.

Screening Analysis Process

1. Organize the Proposals into groups of similar technology types.
2. Use data and cost information from each Proposal along with outputs from the preliminary transmission and technology performance and renewable energy credit analyses (as applicable) to compute the estimated Levelized Cost of each Proposal.
3. Compute the Levelized Cost of the capacity payments for each Proposal separately on the basis of $/kW-yr.
4. Compute the Levelized Cost of the combined capacity and energy payments of each Proposal in $/MWh for the load shape identified in the technology performance analysis.
5. For Distributed Resources, compute the Participant Cost Test, if applicable, for each individual Proposal.
6. Select an adequate number of the most cost-effective and best qualitative bids to assure that the best possible portfolio can be assembled in Phase III to balance cost effectiveness with implementation and reliability risk.
    a. Select Proposals that are the most cost effective and have the least implementation and reliability risk based on the Phase II Qualitative Analysis
        i. The cost effectiveness of Proposals will be ranked by Levelized Cost.
        ii. For Distributed Resources on the customer side of the meter, industry standard indicators will be used to inform the qualitative evaluation of the Quality of the Proposal, i.e., Criterion K.
    b. Aggregate load shapes and check for adequate coverage of service delivery hours, as defined in RFP Section 1.2.1.
    c. Assess the selected Proposals' total transmission deferral capability.
7. Present the results of the Screening Analysis Process to the SC.
8. Document the Levelized Cost and Participant Cost Test (if applicable) results of each Proposal in the Procurement Record.

B. PHASE III DETAILED QUANTITATIVE EVALUATION

The Phase III Detailed Quantitative Evaluation will refine the Phase II Levelized Cost for each Semi-Finalist's Proposal and determine the Levelized Cost of a portfolio of Semi-Finalist Proposals that together meet the objectives of the South Fork RFP.

Detailed Avoided Cost Transmission Analysis

1. Perform a detailed analysis of each portfolio of Semi-Finalist's Proposals based on answers from clarifying questions and updated data from previous and current transmission studies in order to estimate the avoided cost of deferring any LIPA transmission system reinforcement.
2. Calculate the annual avoided costs and net present value of deferring transmission projects based on actual deferral years for projects in the portfolio applicable to each area as defined by Figures A6-1, A6-2, and A6-3 in the SF RFP.
3. Incorporate the schedule for deferred transmission reinforcements into the MAPS model, as described below in the Technology Performance Analysis.

Technology Performance Analysis

1. If necessary, use answers from clarifying questions to update the likely load shape, e.g., amount and timing of generation, charging, and/or load reduction, for each Semi-Finalist's Proposal included in the portfolio.
2. A MAPS analysis will be performed to establish load profiles of dispatchable resources for the evaluation of avoided energy cost. Due to time requirements of MAPS runs, two or three representative MAPS runs will be formulated. This approach is adequate considering that the need for additional capacity on the South Fork is primarily used to offset potential transmission contingencies.
3. Provide technology performance analysis output to the SC.

Renewable Energy Credit

1. Identify Semi Finalist Proposals with renewable resource technologies that are included in the portfolio and whose cost and performance analyses have been changed to reflect new information from responses to clarifying questions and/or updated load shape from the Technology Performance Analysis.
2. Revise the estimated renewable energy credit for each Proposal using any updated input information.
3. Provide the renewable energy credit estimate to the SC.

Portfolio Analysis Process

1. Compute the Levelized Cost of the capacity payments for each Proposal within the portfolio and for the entire portfolio on the basis of $/kW-yr.
2. Compute the Levelized Cost of the combined capacity and energy payments of each Proposal in the portfolio and for the entire portfolio in $/MWh across the load shape of the portfolio identified in the technology performance analysis. Use results of the MAPS analysis for grid connected dispatchable resources.
3. Assess the portfolio's cost effectiveness and risk.
    a. The cost effectiveness of portfolios will be ranked by Levelized Cost..

   b. If portfolio is determined to be not cost-effective or presents undesirable implementation and reliability risks, the process will be repeated with the next most cost-effective and the next best qualitative bid(s), whatever the case may be.
4. Present the results of the Portfolio Analysis Process to the SC.
5. Document the Levelized Cost results of each Proposal and Portfolio evaluated in Phase III in the Procurement Record.

APPENDIX 5
QUALITATIVE EVALUATION RATING SHEET

Proposal ID	*Unique Proposal ID*
Respondent Name:	*Respondent Company Name*
Overall Qualitative Rating:	*Color*
Overall Rating Justification:	*Support for score to be added*

Item	Category/Criteria	Rating	Justification (Notes)
A	Conformance with technical requirements outlined in [the SF RFP]	*color*	*Support for score to be added*
B	Proposal contains microgrid flexibility option	*color*	*Support for score to be added*
C	In-Service date flexibility (ability to install earlier if needed)	*color*	*Support for score to be added*
D	Sizing flexibility (ability to reduce the magnitude of the proposed MW reduction)	*color*	*Support for score to be added*
E	Feasibility of the fuel supply plan, where applicable	*color*	*Support for score to be added*
F	Development and schedule risk, as well as risk of maintaining performance through the contract term	*color*	*Support for score to be added*
G	Site Control	*color*	*Support for score to be added*
H	Ability to permit project	*color*	*Support for score to be added*
I	Ability to meet Proposed In-Service Date	*color*	*Support for score to be added*
J	Exceptions to Agreement, if any	*color*	*Support for score to be added*
Ki	Financing plan	*color*	*Support for score to be added*
Kii	Financial qualifications	*color*	*Support for score to be added*
Kiii	Management experience	*color*	*Support for score to be added*
Kiv	Experience with Long Island Development	*color*	*Support for score to be added*
Kv	History of equipment reliability over claimed lifetime	*color*	*Support for score to be added*
Kvi	Reasonableness of Claimed Per-Unit Load Reduction (where applicable)	*color*	*Support for score to be added*
Kvii	Expected accuracy of Proposed Measurement & Verification Plan	*color*	*Support for score to be added*
L	Black Start capability	*color*	*Support for score to be added*
M	Contractor experience	*color*	*Support for score to be added*
N	Operating flexibility	*color*	*Support for score to be added*
O	Integration with T&D System[2]	*color*	*Support for score to be added*
P	Ability for resources to be controllable by PSEG Long Island's Electric System Operator	*color*	*Support for score to be added*
Q	Community impacts	*color*	*Support for score to be added*
R	Community acceptance	*color*	*Support for score to be added*

[2] RFP Table 5-2 lists criterion O as "Integration with T&D System, including ability to meet a COD earlier than planned date." The evaluation of the ability to meet a COD earlier than planned date is covered by line item C.

Item	Category/Criteria	Rating	Justification (Notes)
S	Environmental impacts	*color*	*Support for score to be added*
T	Firm's overall diversity and commitment to equal opportunity programs, including status as a certified MWBE or a firm's demonstrated ability to meet the MWBE subcontracting goals with NYS certified MWBE firms.	*color*	*Support for score to be added*