

NYSEG Lansing Non-Pipes Alternative (NPA) RFP

Questions and Answers and RFP Clarification – Set 2

The following questions were submitted to the Lansing NPA Mailbox after the 2/9/18 release of the first set of Q&A

RFP Procedures

1. Q: If we request information regarding specific locations, will those questions be shared with all RFP participants?

A: If a Developer's questions are obviously of a potentially confidential nature and the Developer requests that we not publish the question and response in the group Q and A document, we will limit our responses to the Developer asking the question, with the following two caveats: If the PSC requests information and is entitled to that information, it may be made available to either the Commission or Staff; and if the question and response are not of a confidential nature, NYSEG will include the question and response in the group Q and A document rather than responding to the Developer individually.

Gas Pressure and Volume

2. Q: Can you define the highest capacity distribution lines? What is the pressure/takeaway capacity of those lines (in Winter)?

A: The flowrates and pressures in the distribution system vary based on location within the system and demand for natural gas in that area at that time. Please see the responses to questions in the NYSEG Lansing Non-Pipes Alternative (NPA) RFP Questions and Answers and RFP Clarification – 2.9.2018 Document and in particular the response to Question 2 below:

Q: (Regarding Page 9 – D.3 from the RFP): What size, flow rate and operating pressure lines are available for tapping?

A: ***NYSEG's existing natural gas distribution pipeline sizes and flow rates are not public information.*** NYSEG distribution lines may be accessed depending on site and other engineering conditions including gas quality. The tapping of NYSEG distribution lines may only be performed by Company personnel. The respondent would be responsible for the cost of labor and materials to tap the distribution line. Per the response to question 1), in the Lansing moratorium area the MAOP is 60 psig.

3. Q: NYSEG's NPA RFP seeks to provide 430 Mcfh to the Lansing moratorium area - yet NYSEG's reply to Q26 says that current peak demand in the Lansing moratorium area is only 220 - 260

Mcfh. Please provide specific information to explain/justify the need to provide 160% more gas capacity than existing peak demand in the Lansing moratorium area.

A: The 220 – 260 MCFH shown in the response to question 26 on the first set of Questions and Answers is meant to estimate the peak demand of existing customer loads in the Lansing moratorium area only. The 430 Mcfh is the incremental capacity the Lansing pipeline project would provide for known and future gas load growth.

4. Q: Is the existing system able to provide the 220 - 260 Mcfh needed on peak demand days? If not, how much added capacity is needed to meet existing peak demand?

A: The existing system provides the 220 to 260 mcfh (volume) for peak demand days. However, pressure on the system is not sufficient for safe and reliable service.

5. Q: Q3 (from the first set of questions and answers) says the RFP seeks to address current pressure and reliability as well as pending demands for existing and new customers. Regarding the RFP request for 430 Mcfh - please quantify how much of the 430 Mcfh is needed for 1) ensuring current pressure and reliability, 2) pending demands from existing customers and 3) pending demands from new customers, and 4) any other demands NYSEG factors in to arrive at the need for 430 Mcfh (also please specify what those other demands are).

A: Please see the response to Q3 above.

6. Q: Please explain why NYSEG is seeking to provide gas capacity (or alternative) to meet current reliability needs once the compressors are in place.

A: The compressor project is an approach which is new and as yet untested, so its impact will not be completely known for some time. Through a combination of projects which may be constructed/installed as a result of the NPA process and the Compressor project, NYSEG expects to meet all of the requirements (existing and future) that the Lansing Gas pipeline was expected to address. The compressor project addresses reliability for the existing gas demand. The NPA RFP provides capacity for incremental demand to allow the potential lifting of the Lansing moratorium.

7. Q: How much additional capacity, beyond capacity currently provided by the system, needs to be liberated from existing users or added to the system to address current peak demand without the compressors?

A: See responses to Q3, Q4 and Q5 above.

Miscellaneous

8. Q: Regarding pending capacity needs for existing customers - please justify why that capacity is needed by RFP expected in-service deadline of fall 2019.

A: The Lansing NPA RFP and the Lansing Compressor Project are both required in order to restore safe and reliable pressure to the Lansing Moratorium area. NYSEG provides some flexibility on the in-service date on page 5 in the RFP: "NYSEG prefers that all resources included in awarded bid(s) be in-service no later than October, 2019. However, if later in-service dates are required by Developers and if the project time of need can be extended in part or in whole to accommodate later in-service dates, NYSEG may consider later in-service dates." The October 2019 date is NYSEG's best estimate of the date required to accommodate existing and future customers who have been waiting on gas capacity. The in-service application of this RFP is necessary to lift the moratorium on new gas service filed with the PSC for the Town of Lansing, February 9, 2015.

9. Q: Regarding pending capacity needs for new customers, please justify why that capacity is needed by RFP expected in-service deadline of fall 2019.

A: Please see the response to question 8.