

## **NYSEG Lansing Non-Pipes Alternative (NPA) RFP**

### **Questions and Answers and RFP Clarification – Set 3**

**The following questions were submitted to the Lansing NPA Mailbox after the 2/26/18 release of the second set of Q&A**

- 1) Q: Regarding Section I B of the RFP (Proposal Purpose): What is required for a non-pipeline alternative project to be eligible for cost recovery?**

A: The RFP contains specific technical requirements which proposals should meet. NYSEG will consider the proposals which are received, and if one or more proposal(s) meets the technical requirements specified in the RFP, NYSEG will seek cost recovery certainty from the New York Public Service Commission for those proposal(s) which both meet the technical requirements and which have the highest BCA.

- 2) Q: Regarding Section I B of the Proposal, (Proposal Purpose): In previous CNG installations what was required to satisfy the New York Public Service Commission?**

A: The only prior large scale CNG/LNG implementation that the Company was involved in with the NYPSC was in the Mechanicville area. The proceeding associated with this implementation is a matter of public record and documents associated with the proceeding are accessible on the NYPSC website, under Case 14-G-0019.

- 3) Q: Regarding Section II D 3 of the Proposal (Dedicated Facilities and Transmission Charges): Is NYSEG open to the idea of partnering with the developer for the responsibility of obtaining necessary permits required to install facilities to supply its distribution system?**

A: NYSEG will consider all proposals received in response to the RFP. If a proposed solution is both technically and economically viable and also requires obtaining permits, NYSEG will support the developer as much as possible.

- 4) Q: Regarding Section II G of the Proposal (Credit and Performance Assurances): Can an insurance policy be utilized to provide part of the performance assurance requirement?**

A: NYSEG will determine the credit and security requirements on a case by case basis, and an appropriately structured insurance policy could be considered.

- 5) Q: Regarding Section II G of the Proposal (Credit and Performance Assurances): Can an insurance policy be utilized to provide collateral?**

A: Please see the response to question 4.

- 6) Q: Regarding Section II G of the Proposal (Credit and Performance Assurances): Will audited financial statements and Dun and Bradstreet data be sufficient to provide the credit and finance information?**

A: Please see the response to question 4. The audited financial statements will be useful in the credit and financial review.

- 7) Q: Regarding Section III B 3 of the Proposal (All Resources): There doesn't appear to be any aspect of the NYPSC specifically pertaining to trucked natural gas. Do only the uniform business practices apply or does another section (such as #88 regarding CNG as a vehicle fuel) apply?**

A: The Company is not specifically aware of any regulatory guidance specific to trucked natural gas.

- 8) Q: Regarding Section III B 5E of the Proposal (All Resources / Parent and Consortium Information): Is listing the developer's major shareholder (a publicly traded entity for which extensive financial information is publicly available) in our proposal sufficient for this requirement?**

A: NYSEG requests that all requested information within the RFP be provided in each developer's response.

- 9) Q: Regarding Section III B 5F of the Proposal (All Resources / Guarantor Information): Are various types of collateral (such as an insurance policy) acceptable to serve as a guaranty?**

A: Please see the response to question 4.

- 10) Q: Please provide an average annual, individual residential building, natural gas use for heating which would be applicable for the Lansing moratorium area.**

A: Based on the 2017 Ithaca Division total usage and numbers of customers, the average annual individual residential gas customer use for heating in the Ithaca Division for 2017 was 930 therms, or 93 dekatherms.

- 11) Q: Please provide the annual natural gas use for the Town and City of Ithaca in Tompkins County (separately) for the last 10 years.**

A: Billed usage information for seven years was readily available for the Town and City of Ithaca and is provided below.

	Total Billed Therms by Year							
	2010	2011	2012	2013	2014	2015	2016	2017
C. Ithaca	13,751,890	13,825,119	11,978,759	13,620,784	14,676,789	14,692,589	12,614,706	14,794,645
T. Ithaca	8,168,131	8,471,008	8,040,779	8,596,104	8,525,283	9,467,722	8,185,942	9,409,215

**12) Q: When NYSEG refers to “community” is that the Town of Lansing, those under the Moratorium, or the ratepayers in the Zone?**

A: In the Eligible Resources section of the RFP, the word “community” is used to reference any area in which CNG or LNG sites could potentially be hosted if proposed.

**13) Q: Is NYSEG seeking relief for 12 months a year or for a defined time frame – November – March for the 10-year period?**

A: November 1 to March 31 is the period for which we are seeking the relief.