



December 18, 2017

Re: Invitation to Participate in a Solicitation for Natural Gas Reliability Services

Dear Developer:

New York State Electric and Gas ("NYSEG"), a subsidiary of AVANGRID, is issuing this Request for Proposals ("RFP") for proposals ("Proposals") from qualified and experienced developers ("Developers") with the capability to deliver innovative solutions to address gas reliability, demand and/or supply in the Tompkins County region of the NYSEG service territory.

The Lansing/Freeville Reinforcement Gas Pipeline Project is being offered for consideration of potential Non-Pipes Alternatives ("NPA") to accomplish the below objectives:

1. The solution(s) must address the Companies' responsibility to provide safe and reliable service at reasonable costs, and
2. The solution(s) must address current demands for additional base and peak day growth and must allow for future base load and peak day growth.

In addition to meeting these objectives, once an agreement is reached regarding a solution or combination of solutions, community support will be required to move expeditiously forward.

- *Resource Period:* The Term of the Agreement associated with this RFP is expected to be October 1, 2019 – September 30, 2029.
- *Eligible Project Structures:* Resources may be in the form of any or all of the following resource types:
 - Incremental natural gas energy efficiency resources
 - Incremental natural gas demand response resources
 - Fuel substitutions (subject to net carbon reduction evaluation)
 - Introduction of CNG, LNG to the extent allowed and supported by the community and in accordance with State and Federal laws and regulations
 - Other resources which meet all the requirements of this RFP

NYSEG will not consider any existing resources located within the service area, (except incremental reductions associated with projects already in-service, as described in part 1.B. of the RFP) or an alternate pipeline to the proposed Lansing/Freeville pipeline.

Developer(s) may submit multiple Proposals for any and all and for any combination of the resources to meet the needs listed within the RFP. NYSEG reserves the right, but not the obligation to accept a portfolio of projects/Proposals or to aggregate Proposals to meet the resource requirements.

- *Preliminary Schedule:*

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| December 18, 2017 | Issue RFP |
| January 12, 2018 | Pre-bid conference |
| March 2, 2018 | Written Developer questions due |
| March 23, 2018 | Expected date for NYSEG to respond to Developer questions |
| April 20, 2018 | RFP responses due |
| June, 2018 | Expect to complete initial general and technical review |
| July, 2018 | Expect to complete preliminary BCA – short list |
| September, 2018 | Expect to complete planning/engineering studies |
| October, 2018 | Expect to complete negotiations |
| November, 2018 | Expect to file Implementation Plan with PSC |
| October, 2019 | Anticipated resource in-service date |

To indicate your desire to participate in the RFP, please respond via e-mail to lansingnpa@avangrid.com. Upon NYSEG's receipt of a Developer's interest, NYSEG will provide the Developer with details regarding the RFP pre-bid conference.

Sincerely,

Mike DeAngelo
Manager, Non-Wires Alternatives
AVANGRID

Attachments