

OVERVIEW OF REQUEST

The New York Power Authority (“NYPA” or “Authority”) is hereby issuing a request for bids for the purchase of Environmental Attributes (also known as Renewable Energy Attributes or RECs) (hereinafter, “Attributes”) for itself and/or resale to its customers. The Authority is requesting bids for each of the following three terms: 2011; 2011-2014; and 2011-2020. Quantities are shown on Attachment A hereto. All purchases will be in the Authority’s name.

BIDS ARE TO BE SUBMITTED VIA EMAIL TO CHRISTOPHER.FRY@NYPA.GOV BY CLOSE OF BUSINESS JUNE 3, 2011.

GOAL OF RENEWABLE PURCHASES

Purchases may be made up to the amounts shown on Attachment A, for specific purposes as described below. Please note that Renewable Energy Attributes may be both Green-e Energy eligible and EO111 compliant. Please indicate eligibility (e.g. Green-e Energy, EO111, or both) of all products bid.

1. Green-e Energy eligible Attributes:

Attributes will be purchased for voluntary purposes and must be eligible for Green-e Energy certification. Green-e Energy is an independent program of the non-profit Center for Resource Solutions that verifies and certifies renewable energy products. In order to be certified as Green-e Energy, a renewable energy product must undergo a thorough annual verification procedure, which ensures that it is properly accounted for, originates from a facility that meets the requirements of the Green-e Energy National Standard, and has not been double-counted. Potential providers are referred to the Green-e website (www.green-e.org) for full information and guidance on what products and energy sources are Green-e Energy eligible.

2. Compliance with New York State Executive Order 111:

Attributes will be purchased for compliance with New York State Executive Order 111 dated June 10, 2001 (hereinafter, “EO 111”). Potential suppliers are referred to the Guidelines for Executive Order III, Section 5, Requirements for the Purchase of Renewable Power, for a description of the products sought under this solicitation. Please see the link to the Guidelines to the Executive Order, shown below.

(http://www.nyserda.org/programs/State_Government/exorder111guidelines.pdf.)

EO 111 Eligible Resource Types

For compliance with EO 111, eligible resource types are defined as those facilities generating energy from the following technologies:

- Wind
- Solar thermal
- Photovoltaics
- Sustainable managed biomass, which for these purposes shall include all wood resources, with the exception of contaminated waste wood, and shall exclude utility-scale facilities that co-fire with coal
- Tidal
- Geothermal

- Methane waste (from landfills or anaerobic digesters)
- Fuel cells

Hydro production will not be considered for EO 111 compliance purchases.

For purposes of this procurement, supplier is responsible for providing warranty that Attributes bid meet Green-e Energy and/or EO111 eligibility requirements.

REQUIREMENTS FOR ALL PURCHASES

New York State Environmental Disclosure Program

The successful bidder(s) must satisfy the requirements of the Environmental Disclosure Program Rules and Procedures for Conversion Transactions, or any successor rules, established by the New York State Public Service Commission (“NYS PSC”). A Conversion Transaction occurs when an entity that sold energy into the New York Independent System Operator (“NYISO”) Spot Market and an entity that purchased a like amount of energy out of the NYISO Spot Market during the same settlement period jointly identify for the Administrator of the Environmental Disclosure Program such packet of energy such that it can be disaggregated, for environmental disclosure purposes, from the residual pool of Spot Market energy. Conversion Transaction procedures are described in more detail on the Department of Public Service website at: www.dps.state.ny.us/EnvDisclosureLabel.html.

In accordance with this requirement, the Attributes must be associated with electrical energy delivered into the New York Independent System Operator (NYISO) spot market directly from a supplier and/or marketer.

Potential suppliers may also be asked to furnish proof of prior or current contracts for the commodity stated herein to demonstrate their ability to satisfactorily operate in the renewable energy market in New York State.

FOLLOWING SUPPLIER SELECTION AND CONTRACT AWARD:

Verification of Rights to Attributes

Throughout the contract term, NYPA will require certification/ verification of delivery of all rights to the Attributes purchased by NYPA as follows:

- Each invoice submitted by the successful bidder requesting payment must be accompanied by an appropriate Certification, which will identify the number and vintage of all Attributes for which payment is requested, bear an appropriate certification as to the eligibility of such Attributes and transfer all rights and assignments to NYPA.
- In the event the NYS PSC, solely or in conjunction with others, creates, sanctions, adopts or begins participation in a Generation Tracking System in the New York Control Area (“NYCA”) during the term of the agreement contemplated in this bid solicitation, each Attribute associated with fulfillment of the selected bidder’s requirements must be transferred to an account designated by NYPA.
- Facilities providing products that are not located in the NYCA, but are located in a control area with a compatible generation tracking system at the time of submittal of the Bid Proposal, must deliver RECs associated with the Attributes to an account designated by NYPA. For example, the NEPOOL Generation Information System and the PJM

Generation Attribute Tracking System are deemed compatible systems by the administrator of the NYS Environmental Disclosure Program.

- For facilities outside the NYCA, the NYS PSC may require verification of delivery of the electricity associated with the Attributes into the NYISO Spot Market.

No Double Counting

In no event shall the Attributes of the generation associated with NYPA's contract(s) under this solicitation be assigned or sold by the seller in another transaction. Any assignment or application by the seller of the Attributes associated with a contract with NYPA under this solicitation to any other entity, program or jurisdiction, whether associated with a publicly administered program or a voluntary transaction, is strictly prohibited.

SUBMISSION OF BID PROPOSALS

BIDS ARE TO BE SUBMITTED VIA EMAIL TO CHRISTOPHER.FRY@NYPA.GOV BY CLOSE OF BUSINESS JUNE 3, 2011.

- Bidders should use the form of Attachment B included herein, or provide substantially similar information.
- Bidders may provide quotations for any or all of the quantities and products.
- Bidders may provide multiple options for the products and quantities requested.

Bidder shall provide three separate bids corresponding to the three different contract terms requested by the Authority. Firstly, bidder shall provide a bid for only the quantities requested in 2011. Secondly, bidder shall provide a bid for the quantities requested over the term 2011-2014. Thirdly, bidder shall provide a bid for the quantities requested over the term 2011-2020.

Bidder shall provide, along with pricing for Attributes, location and name of associated facility(ies) and a full description of the eligible resource type for Attributes bid. Bidder shall specify the eligibility of products bid for the various purposes requested (Green-e and/or EO111). Bidder shall indicate the expiration date of the bid submitted, which must be no earlier than 60 days after the date of submittal. In addition, Bidder shall provide a brief description of its business organization, history, and financial condition.

Required Contract Agreement

Selected supplier(s) shall be required to execute a contract substantially similar to the contract set forth in Attachment C hereto. No material changes to this contract will be accepted.

Evaluation process and Criteria

Proposals must be complete, in conformance with the specifications and other requirements of this solicitation, and must include all documentation, evidence or verification requested. Submittals will be evaluated primarily according to price, with consideration given to the creditworthiness of the bidder. Preference may be given to products generated in New York State.

Basis for Disqualification

A bidder may be disqualified and the bid not considered for reasons including, but not limited to, the following:

- receipt of the bid after the deadline for submission;
- failure to meet all eligibility requirements;
- incomplete bid;
- willful misrepresentations in the bid;
- illegal or undue attempts to influence the bid review process;
- a determination by NYPA, in its discretion, that some or all bids should be rejected.

The Authority reserves the right, in its sole discretion, to withdraw or modify this solicitation at any time, to reject any or all bids for any reason, or no reason, and to enter into further discussions or interviews with any one or more Bidders. Awards may be made to more than one Bidder.

COMMUNICATION DURING THE SOLICITATION PROCESS

NYPA's contact for this solicitation is:

Christopher Fry, Power Resource Planning and Acquisition

Telephone: 914-287-3435

Email: christopher.fry@nypa.gov

Attachment A - Summary of Request for Environmental Attributes, May 2011

Type of renewable energy product/ reason for purchase	Renewable Energy Source Preference	Annual Quantity (MWh)	Period	Location of Generation Preference	Specified Attributes
Green-e Energy eligible Environmental Attributes	Wind	825	2011	New York State	Green-e Energy eligible
New York State EO111 Compliant Environmental Attributes	Biomass	630	2011	New York State	EO111 compliant
Green-e Energy eligible Environmental Attributes	Wind	3300	2012-2020	New York State	Green-e Energy eligible

