

NESCOE Request For Information – Guidance to Respondents

Background and summary

In November 2010, the New England States Committee on Electricity (“NESCOE”) announced its intention to conduct a Request for Information (“RFI”) to help identify the renewable energy resources within New England and neighboring regions that have the greatest potential for helping New England to meet its renewable energy goals at the lowest overall, or “all-in”, delivered cost of electricity.¹ NESCOE has now commenced the RFI, with a focus on new renewable energy projects whose output would qualify as eligible to meet Renewable Portfolio Standards (“RPS”) in five New England states (CT, MA, ME, NH and RI) and for Vermont’s renewable energy goals, and that could be placed into commercial operation by the end of 2016.²

The information gathered in this RFI will inform and influence NESCOE’s future steps, including any future Request for Proposals (“RFP”) that may be pursued as part of a coordinated renewable procurement process. Furthermore, NESCOE may use this information, and supplementary information from transmission planners, owners and developers, to identify those renewable energy projects that may significantly benefit from a coordinated renewables procurement process. Finally, the information developed in the RFI may be incorporated into an economic study request that would be submitted to ISO-NE in the second quarter of 2011. Hence, developers of new renewable generation resources, and developers of new transmission facilities that could help deliver such renewable energy to New England loads, are strongly encouraged to inform and influence these processes by responding to the RFI.

NESCOE has developed this RFI to minimize the amount of “core response information” required from respondents regarding new renewable energy resources, while including the opportunity for respondents to provide any supplementary information that may be useful to NESCOE. The RFI process also allows transmission owners and developers to provide “transmission only” information regarding potential transmission projects that could facilitate the delivery of energy from specific or generic renewable energy resources to New England loads. NESCOE believes that potential respondents to this RFI should be able to readily provide high-level information that will help the New England states to meet their renewable energy goals in a cost-effective manner, while providing a valuable foundation for any eventual RFP that may be developed.

Disclaimer:

As discussed in the *Notice to Stakeholders* dated November 16, 2010 and the preceding *Report to the New England Governors on Coordinated Renewable Procurement*, the New England states

¹ More information on the RFI, and on NESCOE’s consideration of the potential benefits of a coordinated renewables procurement process, can be found at http://www.nescoe.com/Coordinated_Procurement.html.

² NESCOE recognizes that some generation resources may be considered renewable energy sources in some, but not all, New England states (*e.g.*, large-scale hydro qualifies for Vermont’s renewable energy goals, but is not RPS-eligible in any other state). The focus of this RFI is on resources that would qualify for Renewable Portfolio Standards in all New England states. Subsequent RFIs could solicit information on other generation resources (*e.g.*, generation using different technologies or generation with a later commercial operation date.)

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are exploring the potential benefits of a coordinated renewables procurement process to help meet the region's renewable energy goals in the most cost-effective manner. This RFI is intended solely to collect information that would support that evaluation process, and does not commit NESCOE or any other entity to any further action. NESCOE may, at its sole discretion, suspend, cancel or modify this RFI in any manner.

Similarly, participating in this RFI, or submitting any information as part of a response to this RFI, will not create or imply any obligation on the respondent to take any further action. Respondents may, at their sole discretion, withdraw from or continue participation in the RFI process.

RFI Overview

In this RFI process, NESCOE will focus on projects that could help meet New England's renewable energy needs over the next several years. Hence, the RFI solicits information on projects that could deliver renewable energy to New England by December 31, 2016. In subsequent RFIs, NESCOE may solicit information on additional renewable energy projects that would begin energy production in 2017 or later.

Additionally, the RFI process will target renewable energy projects whose output would qualify as Renewable Portfolio Standard-eligible in five New England states (CT, MA, ME, NH and RI) and for Vermont's renewable energy goals. Thus, the RFI response forms specifically solicit information on generation projects that would use any of the following renewable energy sources:

- Biomass³
- Landfill gas
- Small-scale hydro
- Solar
- Wind (separately categorized into 'on-shore' and 'off-shore')

In the RFI response forms, respondents are encouraged, but not required, to provide any additional information regarding the renewable energy project, including, but not limited to, additional information on contemplated technology, potential interconnection locations, and anticipated generation profiles. Depending on the results of the RFI, and the specific additional analyses that may be performed using the information gathered in this RFI, NESCOE may contact some respondents to solicit specific supplementary technical information.

³ Biomass projects must indicate whether or not the project will include cogeneration capability. Additional information will be required regarding the fuel supply plan for biomass-fueled projects in order to determine their ability to qualify as renewable energy resources in all New England states. NESCOE would solicit such fuel supply plan information by contacting those respondents directly.

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The primary mechanism for collecting information will be the two “RFI Response Forms” (available on the NESCOE web site at www.nescoe.com). The *Core Information Spreadsheet* must be completed for each renewable generation project being submitted in response to the RFI. The *Supplemental Information Form* is optional and provides an opportunity for a respondent to furnish additional information regarding the renewable generation project. The *Supplemental Information Form* also provides a “stand-alone” opportunity for transmission owners and developers who have identified transmission projects that could facilitate the delivery of renewable energy to New England loads in a cost-effective manner to provide certain information that they believe would be of value to NESCOE in this process. The sample *Supplemental Information Form* lists specific categories of additional information that NESCOE believes would be particularly useful.

Finally, NESCOE, in consultation with ISO-NE and/or other regional stakeholders as appropriate, may use the information collected in this RFI to preliminarily identify possible “clusters” of renewable generation projects that could potentially benefit from a coordinated transmission development process (*i.e.*, to help New England meet its renewable energy goals at the lowest “all in” delivered price of electricity).⁴ While respondents are not required to provide any detailed interconnection or transmission related information as part of the *Core Information Spreadsheet*,⁵ respondents are encouraged to provide any available transmission or interconnection related information (*e.g.*, interconnection queue position, potential interconnection voltages or points, etc.), either in the *Core Information Spreadsheet* or as part of the *Supplemental Information Form*.

Once a respondent has completed the *Core Information Spreadsheet* and/or the *Supplemental Information Form*, please send the completed forms to NESCOE via e-mail (please send to RFI@nescoe.com). If any required information is incomplete, or NESCOE has any questions about the information provided, NESCOE may contact the respondent to request additional clarification and/or information.

A. RFI Schedule:

Please submit the completed *Core Information Spreadsheet* to NESCOE by the close of business on **Friday, February 4, 2011**. Completed *Supplemental Information Forms* can be submitted through the close of business on **Friday, February 25, 2011**.

To provide an opportunity for interactive dialogue between NESCOE and interested parties, NESCOE is planning to conduct an informational session in January 2011 to review the RFI process, and to answer any questions about the RFI and the response forms. Further information

⁴ Any such coordinated transmission development could result from any of a number of possible processes. The sole purpose of soliciting and developing such transmission-related information in this RFI is to better inform any subsequent coordinated renewable procurement process.

⁵ However, projects that would be located outside of New England must provide a high-level indication of how the energy from those projects would be delivered to the New England transmission system.

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regarding the session will be posted on the NESCOE web site and will be distributed to stakeholders who have requested RFI-related information by sending such a request and contact information to communications@nescoe.com.

Potential respondents who have any questions or comments about the RFI, this guidance memorandum, or the RFI response forms are encouraged to contact NESCOE directly via E-mail at RFI@nescoe.com. NESCOE will post questions (without identifying the person or entity posing the question) and answers of general interest at www.nescoe.com, and distribute a final list of questions and answers to stakeholders who have requested RFI-related information as described above. Potential respondents may submit such questions in writing until Wednesday, January 26, 2011.

B. Treatment of information sought in this RFI:

In the interest of promoting an open and collaborative process, NESCOE is soliciting high-level information regarding renewable energy projects that could potentially help the region meet its renewable energy needs most cost-effectively. Hence, NESCOE believes that the information being sought in this RFI should not be considered commercially sensitive or confidential and can be provided to NESCOE on a non-confidential basis. Respondents should *not* submit any information in response to the RFI that they believe to be confidential or commercially sensitive and should *not* expect NESCOE to treat any information provided in response to the RFI as confidential or commercially sensitive.

C. Description of RFI Response Forms:

To collect the desired information, NESCOE has developed two documents for the RFI process: a *Core Information Spreadsheet* and a *Supplemental Information Form*. Guidance as to how these documents should be completed by RFI respondents is provided below.

Core Information Spreadsheet

This Excel spreadsheet will capture the “Core Information” being sought by NESCOE for renewable generation projects. A separate spreadsheet should be completed for each renewable energy project being submitted in response to the RFI.

For each project, all of the highlighted cells should be completed. For some of the cells, respondents should directly enter the requested information (*e.g.*, project identifying descriptor, contact information, etc.).⁶ For the remaining cells, respondents should select the requested information from the in-cell drop-down menus that have been provided (note that the contents of the drop down menu and narrative text within the form will vary, depending on prior selections).

The *Core Information Spreadsheet* has two sections:

⁶ The information in some of these cells (*e.g.*, alternate contact information) is optional.

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- Respondent Information; and
- Core Project Information.

In the Respondent Information section, respondents should provide basic contact information regarding the response. At a minimum, one set of contact information must be submitted. Respondents can optionally add a second contact for each project.

In the Core Project Information section, respondents should complete the highlighted cells (most of which should be completed by selecting from the in-cell drop down menus). As discussed above, the RFI is focused on renewable energy technologies whose output would qualify as RPS-eligible in five New England states (CT, MA, ME, NH and RI) and for Vermont’s renewable goals.

- *Project identifier (optional):*
A respondent can elect to provide a short project descriptor (e.g., “The Anytown Renewable Energy Project”).
- *Technology type (required):*
Please select from the technology types available in the drop down menu. Respondents are encouraged to provide additional information in an accompanying *Supplemental Information Form* on technology details, expected generation profiles, etc.

Note that biomass projects must also indicate whether or not the project would include cogeneration capability. As indicated earlier, NESCOE will also be separately soliciting information on the fuel supply plans contemplated for biomass projects.

- *Dispatchability (required):*
Please select from the dispatchability options available in the drop-down menu. For many renewable generation projects (e.g., wind projects with no on-site energy storage capacity), the project’s maximum instantaneous energy output will be solely a function of equipment availability and environmental conditions (e.g., wind conditions). These projects would be *Fully Intermittent*.

Some renewable energy projects may have some energy storage capacity that is planned as an integral part of the project, even though the maximum total energy output over an extended period of time may be determined by environmental conditions. These projects may have the ability to temporarily increase output beyond the instantaneously available generation by discharging a storage device. For projects that would include at least 15 minutes of energy storage capacity⁷ as an integral part of the project, the *Limited Storage*

⁷ Energy storage capacity (in minutes) would be determined as the ratio of (a) total energy storage capacity, in MWh, that is planned for the project divided by (b) the nameplate capacity of the project (in MW).

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Capability option should be selected. (Respondents are encouraged to provide additional information on the project’s energy storage capability, and the anticipated location of any storage facility, in an accompanying *Supplemental Information Form*.)

Finally, some renewable energy projects (*e.g.*, biomass facilities) may have a continuous fuel supply available, and the project’s maximum instantaneous energy output is solely limited by the actual equipment capability (including any impact of ambient conditions on equipment capability) and the fuel available on-site. Such projects should select *Non-intermittent* from the drop down menu.

- *Nameplate capacity (required)*:
Please indicate the maximum net electrical output, in MWs, that could be achieved by the project under the most favorable reasonably expected environmental conditions (*e.g.*, maximum net wind turbine output at optimal reasonably expected wind conditions, maximum net generation from biomass-fueled steam unit under winter ambient conditions, etc.) While respondents are not required to provide detailed unit ratings under different environmental or ambient conditions, any such information can be included in an accompanying *Supplemental Information Form*.
- *Location of generation facilities (required)*:
Please indicate whether or not the new renewable generation facilities would be geographically located within New England, or in an adjacent control area (Québec, the Maritime Provinces, or the control area operated by the New York Independent System Operator (“NYISO”)).

Renewable energy projects that would be located within New England should indicate the state and county in which they would be located.⁸ If a project has not yet submitted an interconnection request to ISO-NE, respondents can optionally indicate anticipated potential points of interconnection to the New England transmission system. If a project has already submitted an interconnection request to ISO-NE, NESCOE would very much appreciate (i) confirmation that an interconnection request has been submitted, and (ii) if an interconnection queue position has been assigned to the project, confirmation of the queue position.⁹

⁸ Off-shore wind projects should indicate the state and county that would be geographically closest to the project. For projects whose generation facilities would be located in multiple counties, please select the county with the largest amount of contemplated generation.

⁹ Please note that NESCOE, in consultation with other regional stakeholders as appropriate, may request independent analyses of specific potential transmission projects that could efficiently integrate the output of individual or ‘clustered’ renewable energy projects. Hence, respondents are strongly encouraged to provide interconnection-related information (*e.g.*, “Project XYZ has been assigned queue position 123 by ISO-NE” or “Interconnection request has not yet been submitted to ISO-NE”) in order to facilitate any such future regional transmission planning studies.

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A renewable energy project that would be located outside of New England should indicate the control area in which the generation would be located. Additionally, respondents should indicate, in summary form, how the renewable energy from this project would be delivered to the New England transmission system. That information can identify specific points on the New England grid to which the renewable energy would be delivered, or simply indicate the anticipated or potential points on the border between New England and the external control area to which the energy would be delivered.

- *Date of initial commercial operation (required):*
Respondents should select, from the drop down menus, the quarter and calendar year by which the project is anticipated to achieve the nameplate capacity previously indicated.

Supplemental Information Form

The information to be provided on the *Core Information Spreadsheet* is required for NESCOE and the New England states to further evaluate the potential benefits of a coordinated renewables procurement process. As the RFI progresses, NESCOE may solicit supplemental information regarding other project characteristics.

While respondents do not need to provide any information beyond that sought in the *Core Information Spreadsheet*, NESCOE strongly encourages respondents to submit any additional information regarding any renewable generation project that will better help NESCOE understand the characteristics of the project, and the potential benefits from developing that project through a coordinated renewables procurement process. Furthermore, transmission owners and/or developers who have identified transmission projects that may facilitate the integration of potential renewable energy generation in a cost-effective manner are encouraged to provide summary information on such transmission projects by submitting a “stand-alone” *Supplemental Information Form*.

To assist respondents in prioritizing information that could be provided in the *Supplemental Information Form*, and is expected to be useful to the RFI process, NESCOE specifically encourages respondents to consider providing information in the following areas:

For *Supplemental Information Forms* accompanying a specific generation project:

- For projects located in New England, indication of whether an interconnection request has been submitted to ISO-NE, and if so, whether a queue position has been assigned (and confirmation of the queue position);
- For projects located outside of New England (and to the extent known), indication of what transmission facilities, if any, might need to be developed (both within and outside

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New England) to reliably deliver the renewable energy output of those projects to New England loads;

- Additional details on anticipated / potential interconnection points, voltages, etc;
- Any information regarding the anticipated generation profile of an intermittent resource (*e.g.*, anticipated time-varying output from a wind project); and
- Additional information on any storage capability that would be developed in conjunction with the project.

For *Supplemental Information Forms* submitted by a transmission owner or developer regarding potential transmission projects:

- If applicable, an indication of renewable generation projects whose energy output would be more readily deliverable to New England loads;
- Potential interconnection points, voltages, technology (*e.g.*, AC vs. DC); and
- Potential schedule for placing the project into commercial operation; and
- Other non-confidential information that may help NESCOE evaluate the information received in the RFI.