

PSEG Long Island  
2021 Bulk Energy Storage RFP  
Clarification Responses

Date: July 26, 2021

| No. | Clarification Request  | PSEGLI Response  | Date Posted          |
|-----|--|--|----------------------|
| 119 | At the Shoreham site offered by LIPA, please provide drawings of the buildings existing on site. Can all the buildings and structures currently on the site be demolished? Will LIPA clear the laydown materials and equipment that are stored on the site?  | We do not have drawings available for buildings on the site that we can provide at this time. Buildings & structures can be demolished and materials and equipment currently stored on the site can be cleared and relocated; however, the potential Respondent would be responsible for the costs for the demolition and relocating personnel, inventories, and equipment currently on-site to alternative comparable facilities elsewhere in the Shoreham area and should include such costs in its Proposal. PSEGLI doesn't currently have a cost estimate for these activities. If Respondent doesn't believe it can provide a reasonable estimate of these costs in its Proposal due to a lack of information from LIPA/PSEGLI; please provide a statement to that effect in your Proposal and PSEGLI will add a cost for providing these services in its evaluation. | Revised on 26-Jul-21 |
| 22  | Regarding the RFP nominated Schedule F 2WB/2ZB E. F. Barrett and 4YH Glenwood POIs, is PSEGLI aware that each of these RFP-nominated properties fails to comply with RFP Appendix E. Energy Storage Specifications E.4.4. Environmental Conditions, as each of the identified parcels is located within a FEMA FIRM Mapped Special Flood Hazard Zones. | PSEGLI/LIPA have offered the Schedule F sites to potential Respondents for potential development of energy Storage projects under the terms outlined in its RFP and on its Website without making any representations of their compliance with the requirements of Exhibit E. It is the Respondent's responsibility to perform the necessary due diligence to determine whether its project on a Schedule F site is in compliance with Exhibit E or not and not PSEGLI's or LIPA's responsibility.   | 23-Jul-21            |
| 54  | For BOOT pricing requested in RFP section 6.7.3, please define the loads LIPA is considering to black start. For instance:<br>• Question 7: What is required power quality, and needed fault tolerance and coordination?   | LIPA has not established black start loads; however, Respondents are welcome to propose pricing for providing pricing for a black start service use case.  | 23-Jul-21            |
| 63  | Regarding EPC, BOP contractors and subcontractors, and O&M.<br>• Question 15: Does LIPA anticipate approving all vendors, no matter how de minimums, as long as the 30% NYS Certified MWBE subcontracting goal and the 6% NYS Certified SDVOB goal are both met?   | LIPA/PSEGLI have not as yet made a decision on the level of subcontracts that they will approve. A selected Respondent will need to adhere to the provisions in the BOT and EPC Contracts requiring approval of subcontractors and vendors which will specify such levels. Separately, a Respondent must also adhere to the requirements shown in the RFP regarding MWBE/SDVOB subcontracting. These are separate requirements.  | 23-Jul-21            |
| 76  | What value for property taxes can be anticipated for LIPA owned sites?   | For the Shoreham site our estimate is \$532,000 /year and for the West Babylon site our estimate is \$159,000/year.  | 23-Jul-21            |
| 91  | Under Section 6.12.5, the community outreach plan must meet PSEGLI/LIPA standards. Is there a published standard to which the Respondent can refer?  | Outreach plans should include the following where applicable:<br>1. Meetings with local officials<br>2. Meetings with other officials<br>3. Meetings with external community stakeholder groups<br>4. Customer contact including planned email or phone outreach tactics<br>5. Internet postings<br>6. Fact sheets<br>7. Social media engagement<br>8. Publicly made available renderings<br>9. Public meetings, open houses, or other publicly open event and associated materials<br>10. Third party experts<br>11. Construction notification letters to customers along affected routes or residents potentially affected<br>12. Follow up communications following project completion (such as project complete postcards)   | 23-Jul-21            |
| 112 | Can you share the relative weight of quantitative criteria versus qualitative criteria in proposal evaluation?   | Quantitative and Qualitative criteria as a whole will be equally weighted in the proposal evaluation.  | 23-Jul-21            |
| 117 | Section 2.4.2. states that pricing must include costs to fully meet the 30% MWBE subcontracting goal and the 6% SDVOB goal. However, Appendix 15 of the BOOT contract Part IIA states that the overall goal for MWBE is 0%. Please clarify.  | A new Addendum to the BOOT Contract is posted. Please follow the goals listed in the RFP Section 2.4.2 for the MWBE and SDVOB subcontracting goal.   | 23-Jul-21            |
| 124 | Section E.6.3.2: When is the UL 9540a report due? Does it need to be submitted with the proposal or before the startup?  | Respondents are required to confirm that they comply with UL9540a in their Proposal. It is highly recommended that Respondents provide the UL9540a reports upon Proposal submission. For all selected projects, the UL9540a report shall be submitted prior to project commissioning.  | 23-Jul-21            |

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| 127 | Can you confirm that the Shoreham Substation property is the only LIPA owned currently property available to bid?   | LIPA owned property is available for energy storage projects at both Shoreham and West Babylon. The West Babylon map on the RFP Website has an ADDENDUM being posted to show the LIPA owned land available for potential development at that site.  | 23-Jul-21   |
| 128 | <p>We are seeking clarification following the Schedule F / LIPA site visits:</p> <p>a) Far Rockaway site: There is an existing containment tank where LIPA's substation would need to be expanded for a future project breaker. Please confirm the location of this tank, whether it is above or below ground, and the exact location of the planned substation expansion.</p> <p>b) Glenwood site:</p> <p>1. Please confirm required setback clearance to the existing 4XH substation on the property.</p> <p>2. Please confirm whether there is existing space within the 4YH substation fence for a new additional project breaker or whether the substation's footprint will need to be expanded.</p> <p>c) According to the PROPERTIES OWNED BY LIPA OR TO BE POTENTIALLY ACQUIRED BY LIPA: INFORMATION OUTLINE, "There may be a dispute between National Grid and LIPA regarding the parties rights under Schedule F with respect to this RFP. This dispute may have to be resolved through negotiation or arbitration." Has the dispute been resolved and / or has negotiation or arbitration started?</p>   | <p>a) Far Rockaway: This information is presently not available.</p> <p>b) Glenwood:</p> <p>1. Please note that the area south of the substation has recently been developed with residential facilities, and Shore Road is directly east of the substation. Therefore, an interconnection into the Glenwood 4YH Substation, would require either of the following;</p> <ul style="list-style-type: none"> <li>•The complete removal of the NGRID GTs therefore allowing the interconnection in place of the existing GSU, or</li> <li>•The removal of the southernmost NGRID GT, therefore allowing the relocation of the of the GSU and the expansion of the 138kV bus in that area. (see attached aerial)</li> </ul> <p>2. The footprint will need to be expanded to allow the addition of a new additional project breaker and all associated peripheral equipment. Also depending on the protection and control requirement for the additional project breaker, a second control enclosure may be required.</p> <p>c) This information is not presently available. The RFP lists the uncertainties of Schedule F sites. The RFP Website will be updated with information when it is available.</p> | 23-Jul-21   |
| 129 | <p>We are seeking further clarification to RFP section E.10.1.3 regarding auxiliary power:</p> <p>a. Thank you for confirming that the auxiliary load of the battery project (separately metered from the battery's charging load and supplied from the distribution system) will be subject to Service Classification LIPA Tariff- SC 2MRP Rate 285 Large General and Industrial Service with MRP.</p> <p>a. We understand that the Respondent will be liable for paying auxiliary load charges before transfer of ownership, but please confirm if the Respondent or PSEGLI will be liable for paying auxiliary load charges following transfer in ownership to PSEGLI.</p> <p>b. For battery projects interconnecting at 69kV and 138kV, please confirm if the charging load of the battery will be subject to any delivery charges. In other words, we want to confirm if there are variable delivery charges on kWh volumetric withdrawals when the battery is charging, and we want to confirm if there are coincident or noncoincident demand charges on the kW demand when the battery is charging. If there will be any charges associated with the charging load of the battery:</p> <p>a. Please confirm what rate will apply to the charging load of the battery. b. Please confirm whether the Respondent or PSEGLI is liable for paying charging load charges before transfer of ownership, and which party is responsible for paying them after transfer of ownership.</p> | <p>a. Before ownership transfer, auxiliary load charges will be paid by Seller and be reimbursed by Buyer via the BOOT Contract. After transfer, LIPA will be completely responsible for such charges.</p> <p>b. Delivery charges will not be applicable for charging energy which will be provided by the Buyer during the Term of the BOOT Contract. After transfer of ownership, LIPA will be responsible for all costs of charging energy.</p>  | 23-Jul-21   |
| 130 | Are the LIPA and National Grid owned sites eligible for PILOTs?   | Yes.  | 23-Jul-21   |
| 131 | Please confirm the pricing on which the percentages listed in section 2.4.2 excludes the cost the battery equipment?  | No. The percentages, which are goals, apply to the full contract amount.  | 23-Jul-21   |
| 133 | Could PSEG provide a Fair Market Value lease for National Grid and Long Island Power Authority-owned sites to use as a placeholder in pricing assumptions?  | Fair Market Value lease rates for National Grid and LIPA owned sites is not available at this time. Respondents shall include Fair Market Value estimates in their proposals, and include all assumptions associated with this estimate.  | 23-Jul-21   |
| 135 | As the RFP requests financial statements to be included in proposals and this information is not typically shared, would it be possible to execute a Non-Disclosure Agreement with PSEG Long Island and/or Long Island Power Authority prior to submission of the proposal?   | Yes. Respondents should request an NDA for this purpose from PSEG Long Island by sending an email to Ask2021BulkStorageRFPQuestions@sargentlundy.com.   | 23-Jul-21   |

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| 136 | Section 2.11 of the RFP refers to Disadvantaged Communities. Is there a specific definition of what qualifies as a Disadvantaged Community for this RFP?   | Yes, "Disadvantages Communities" are defined in the CLCPA in Section 75-0111 5. "Disadvantaged communities" means communities that bear burdens of negative public health effects, environmental pollution, impacts of climate change, and possess certain socioeconomic criteria, or comprise high-concentrations of low- and moderate- income households, as identified pursuant to section 75-0111 of this article. On NYSERDA's Website at <a href="https://www.nyserda.ny.gov/ny/disadvantaged-communities">https://www.nyserda.ny.gov/ny/disadvantaged-communities</a> there is an interactive map where Disadvantage Communities in New York are identified. | 23-Jul-21   |
| 138 | For the Shoreham site, is it possible that physical interconnection facilities from any of the existing peaking units will be utilized for this project?   | At this time, no terminals are available, however interconnection facilities at Shoreham can be expanded.   | 23-Jul-21   |
| 140 | Please advise where Bidder can find instructions for submitting the bid submittal fees.  | Proposal Submittal Fee wire transfer information will be provided to Respondents who submitted an NOI by July 24th 2021.  | 23-Jul-21   |
| 13  | For the BOOT contract, can you please provide us with the current discount rate and/ or WACC for the Long Island Power Authority?  | The current WACC for LIPA is 5.66%.   | 20-Jul-21   |
| 20  | Regarding the RFP LIPA-owned and Schedule F Properties identified, for which Respondents are responsible for performing the identical pre-Proposal submittal actions and providing identical Proposal information, as that required for Respondent purchased/leased Sites, including the BOT and BOOT Terms, please advise how PSEGLI envisions Proposers complying with the following BOT/BOOT requirement at the time of Proposals submittal: Seller shall be solely responsible for pursuing and achieving any potential sales tax exemptions and property/real estate tax abatements and exemptions (including any applicable payments in lieu of taxes (PILOT) program). Since all of the identified properties have existing Property Tax Assessments, which include both Real Estate and Assets valuations, does LIPA actually wish to delegate unilateral Proposer/Respondent Energy Storage PILOT resolution with each of the separately involved IDAs in the absence of LIPA and/or NGrid? | As stated in the RFP, the developer is solely responsible for negotiating the PILOT with the relevant taxing authority for each parcel for which it submits a proposal, including parcels on the LIPA-owned and sites potentially acquired by LIPA (through Schedule F). For clarification, the National Grid-owned properties listed in the RFP are currently on the tax rolls and have existing assessments. It should be noted that these properties may need to be subdivided to create the BESS parcel prior to transfer to the developer. The developer should negotiate a PILOT for the parcel needed for the storage project (not the entire site).         | 20-Jul-21   |
| 69  | Regarding performance guarantees and availability:<br>• Question 21: How should annual cycling limitations be treated within the availability calculations and other volumetric cost calculations?   | Currently, the availability calculations in the BOOT & BOT do not take into account cycling limitations of the Project. Respondents are free to add language in their Proposals to account for such limitations if such limitations apply to their Project.   | 20-Jul-21   |
| 118 | At the Shoreham site offered by LIPA, please provide site plan drawings, underground utilities drawings and geotechnical report for the area.  | PSEGLI/LIPA will provide information they have upon request from a Respondent for the identified site on a confidential basis following Respondent's signing of an NDA. Respondents who want such information should review and sign the NDA on the RFP Website and send it to <a href="mailto:Ask2021BulkStorageRFPQuestions@sargentlundy.com">Ask2021BulkStorageRFPQuestions@sargentlundy.com</a> .   | 20-Jul-21   |
| 120 | At the Shoreham site offered by LIPA and along the interconnection route to Substation 8Z, will hydraulic excavators and/or augers be permitted for digging for foundations and underground utilities?   | Digging for foundations in and around substations and interconnection rights-of-way need to be reviewed on a case-by-case basis by PSEGLI as care must be taken for personal safety and to avoid harm to the system.  | 20-Jul-21   |
| 121 | At the existing substation 8Z at the Shoreham site offered by LIPA, an expansion will need to be added to interconnect the new BESS. There are open areas available east and west of the existing substation, can these be used?   | The substation can be expanded and new terminals can be added for interconnections.   | 20-Jul-21   |
| 125 | Will LIPA consider BOOT offers with an operational period longer than 7 years?   | No  | 20-Jul-21   |
| 126 | Can you confirm that Shoreham Substation property in the below link is actually owned/controlled by LIPA and that there is no risk of transacting with NYSEG on this particular parcel?  | Yes   | 20-Jul-21   |
| 132 | The PSEGLI Bulk Storage RFP YouTube presentation states "LIPA's precision for calculation WACC and the then current value of WACC at the time of the project can be obtained from the authority upon request". Please provide LIPA's WACC related information.   | Please refer to the Response to RFP clarifying question #13.  | 20-Jul-21   |
| 134 | Per Section 4.3 in the BOOT contract, it says that "Buyer shall reimburse Seller upon the Project COD for Interconnection Costs paid by Seller to Connecting Transmission Owner". Could you confirm that the Seller's interconnection costs can be reimbursed?   | Yes, Seller's Interconnect Costs can either be reimbursed by Buyer or the reimbursement obligation of Interconnection Costs by Seller to the Connecting Transmission Owner in the Interconnection Agreement can be set off by Buyer per Section 4.3 of the BOOT Contract.   | 20-Jul-21   |
| 137 | If bidding a 100MW project at the LIPA owned site, can a 50MW variation be included with the same bid fee?   | No. However both Proposals may be submitted with separate Proposal Submittal Fees.  | 20-Jul-21   |
| 139 | Does the valuation process favor an earlier COD? (as in 2024 vs 2025)  | No  | 20-Jul-21   |

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| 28  | Section 2.2.5 indicates that POIs other than those listed in Appendix G should demonstrate the benefit calculations for LIPA and its customers – would it be possible for PSEGLI to share the duty cycle and benefit calculations for the Appendix G locations? Sections G.2.1.1. and G.2.2.1. reference hosting capacities for the two sites – are those the same hosting capacities listed in Appendix B of the 2020 RFI or have those hosting capacities been provided elsewhere?  | PSEGLI considers information related to benefits to be proprietary. Additional information on the duty cycle, outside of what has been provided in Appendix G of the RFP, is not presently available.  | 13-Jul-21            |
| 50  | We are seeking the following clarification regarding the specified Proposal Fee: b) For LIPA-owned Sites: • Question 4: If a Project Proposal on LIPA-owned Property can be proposed as an alternative, per RFP section 5.6.2, will Respondent only be required to pay one Proposal Submittal Fee based on the Proposal containing the Project with the higher MW capacity?   | Yes. If the main proposal is for a site to be potentially acquired by LIPA (through Schedule F), the Respondent is not required to submit a Proposal Submittal Fee for an alternate site using a LIPA owned property.  | Revised on 13-Jul-21 |
| 53  | For BOOT pricing requested in RFP section 6.7.3, please define the loads LIPA is considering to black start. For instance:<br>• Question 6: How much power (real and reactive), and for what duration?  | At this time LIPA/PSEGLI has not specified specific power requirements for black start service.  | 13-Jul-21            |
| 55  | For BOOT pricing requested in RFP section 6.7.3, please define the loads LIPA is considering to black start. For instance:<br>• Question 8: What power generation asset are we starting and what sequencing is needed?  | At this time LIPA/PSEGLI has no specific power generation asset or sequencing applications currently identified for black start.   | 13-Jul-21            |
| 72  | If Respondent is proposing a BOOT contract, would the first and second columns of Appendix B-Guaranteed Performance, contain identical values?  | We would expect that most, if not all, values in both columns would be identical. If values are not identical, Respondents should explain reasons for differences. Notwithstanding the last sentence, Contracted Capacity must be maintained throughout the entire contract term. Please also refer to Addendum 1 of Appendix B. One column is at the contract transfer date, and the other is throughout the contract term.                       | Revised on 13-Jul-21 |
| 79  | How is LIPA thinking about the fair market value on lease rates?  | Lease rates will be determined based on an assessment of LIPA property is leasing for in the area of the subject property.   | 13-Jul-21            |
| 109 | Please clarify if BESS auxiliary power is considered a component of the monthly pass-through charge of "Station Service Energy".  | Yes. Please consider station service energy and auxiliary power to be the same.  | 13-Jul-21            |
| 110 | Please clarify the augmentation expectation.  | For the BOOT contract, the cost of augmentation shall be included in proposal costs in Appendix B. Augmentation must meet the guaranteed values in Appendix C. The guaranteed values shall reflect long term degradation. For the BOOT contract, the Project must have full Contract Capacity at time of transfer after 7 years. LIPA would be responsible for any augmentation thereafter. For both contracts, please refer to RFP Section E.5.1. | 13-Jul-21            |
| 111 | In Section 7.2.3, regarding the qualitative evaluation criteria, can you provide examples of what "site characteristics" could or would include?  | Site characteristics include zoning, environmental features, proximity to residential housing, buffers, acreage, and other criteria.   | 13-Jul-21            |
| 113 | Section E.5.2 states that the BESS discharge power rating shall be net of the parasitic loads that are present in the system up to the POI. Whereas Section E.10.1.3 states that the primary source of auxiliary power be taken from the distribution system and procured by the respondent, and implies that internal energy is not to be the primary source of aux power. Please clarify if the auxiliary load taken from a source procured outside of, and independent from, the POI shall subtract from the BESS discharge power rating or not. | The BESS discharge power rating shall be the net of the parasitic loads up to the POI. Please also refer to the response to question #51.  | 13-Jul-21            |
| 114 | Can LIPA confirm that Respondents are required to submit, at time of submission of the bid, the financial model used to estimate the Buyout Price?  | Yes. Please also refer to Section 6.17.3 of the RFP for more details.  | 13-Jul-21            |
| 115 | Will two Proposal Submittal fees be required if we submit one proposal on a LIPA owned site and another one on a site to be acquired through LIPA (i.e. National Grid Schedule F site)?   | No. If a Respondent submits a Proposal on a Schedule F site owned by National Grid it may submit a 2nd Proposal on a LIPA owned site and pay only one Proposal Submittal Fee.  | 13-Jul-21            |

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| 116 | Please confirm that O&M costs related to interconnection facilities are a pass through in the BOOT contract. The RFP states O&M of any interconnection facilities are not a pass through (Section F.11.2), however, the BOOT contract (Appendix 5) states O&M charges related to CTOAFs, SUFs, and SDUs are included in the monthly pass through charges.  | O&M costs are passed through in the BOOT Contract for Connecting Transmission Owner's Attachment Facilities, Connecting Transmission Owner's System Upgrade Facilities, and Connecting Transmission Owner's System Deliverability Upgrades as noted in the BOOT Contract. All other O&M costs related to any interconnection facilities associated with the Project will not be passed through, including but not limited to, the Developer Attachment Facilities and any other facilities and equipment located between the Respondent's facility and the Point of Change of Ownership for the transmission of energy. | 13-Jul-21   |
| 122 | Time of Proposal is that July 30th?  | The RFP Schedule is listed in Section 4 of the RFP. The Proposal Submittal Deadline is July 30, 2021. Please check the RFP Website on a regular basis for potential Addendums to the RFP.   | 13-Jul-21   |
| 123 | The Respondent shall submit the complete UL 9540a report for the Project. UL 9540a testing shall be conducted on the proposed battery at the cell, module, and unit level. The full test report shall be provided for each of these tests at the time of proposal submission. Batteries that require installation level testing due to results in the cell, module, or unit level tests shall be considered unacceptable for this RFP. A sufficient number of cells shall be forced into thermal runaway to create a condition of a cell-to-cell propagation within the module during the tests. UL9540a testing and testing for characteristics of the off gas (constituents, burning velocity, PMax, etc.) shall be conducted in the United States. ---- Testing conducted in US: If we have UL9540a from UL Japan, will this be accepted, or it must be tested in US?   | Please follow the requirements as outlined in the RFP.  | 13-Jul-21   |
| 15  | I don't see any data on Port Jefferson, will that be released or am I missing it on the website?   | Port Jefferson is included in the LIPA owned / potentially acquired site lists. Please refer to the RFP Website. The site map on the RFP Website has been updated to now identify the location of the Stephen D. Matthews Preserve on which development is precluded.   | 21-Jun-21   |
| 21  | <p>Regarding the RFP identified LIPA-owned 8J Southold Substation, is PSEGLI aware that this RFP-nominated property:</p> <p>1. Fails to comply with the following RFP criteria:</p> <p>a. Section 6.16.3 Permitted Use:<br/>An energy storage Facility on this RFP-identified parcel, which is zoned LB-Limited Business on the Town of Southold's current Zoning Map, is not included among the as-of-right Permitted Uses or identified eligible Special Exception Uses that may be permitted by the Town's Zoning Board of Appeals under the Town's Zoning Code, which under Article IX- Limited Business, §280-41 Use Regulations does not allow/include public utility type uses. Accordingly, either a Town Board-approved Change of Zone or Zoning Board of Appeals-approved Variance and Special Exception Permit would be required.</p> <p>b. Appendix E. Energy Storage Specifications E.4.4. Environmental Conditions<br/>The identified parcel is located within a FEMA FIRM Mapped Special Flood Hazard Zone.</p> <p>2. Is:</p> <p>a. Located within a NYSDEC Mapped Fresh Water Wetland that covers &gt; 65% of the RFP-nominated undeveloped parcel?</p> <p>b. Contiguous to the 165-acres Arshamomaque Wildlife Preserve?</p> <p>c. Subject to the Town's Trees Clearing Code §240-49C clearing, which would only allow 15% of the entire 8.34-acre LIPA 8J to be cleared (1.25 acres total). Since the cleared area on the Site is greater than 1.25 acres already, this would leave 0-acres of the 3.65-acre undeveloped parcel available for development.</p> <p>d. The LB Limited Business Zoning Code 100' Front Yard Setback, would further reduce the net developable area.</p> | Southold is being removed from consideration.   | 21-Jun-21   |
| 23  | Has the BOOT contract undergone review for leasing considerations by your Accounting team and/or external auditor? If so, can you please share the assessment?   | The lease associated with the BOOT contract will be posted to the RFP website shortly.  | 21-Jun-21   |

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| 26  | Are the estimated hosting capacity MW at locations listed in the 2020 RFI the same as before? How were the hosting MW estimates at preferred locations determined?  | While the POIs listed in Appendix B of the 2020 RFI were referred to as "LIPA Preferred Locations", based on the extensive RFI responses, it was identified that use case studies must be conducted first, before preferred POI's could be established. As such, there are no identified preferred locations and hosting capacities in the RFP. Rather, as indicated in Section 2.2.5 of the RFP, a Respondent proposing a site and POI (other than a POI listed in Appendix G) must also include in its Proposal an energy storage use case describing in detail the quantitative and qualitative benefits of its proposed Project to LIPA and its customers.   | 21-Jun-21   |
| 29  | In section 2.2.6 it is stated that LIPA has the right and responsibility to bid and schedule the asset -- are those rights and responsibilities exclusive to LIPA or can the Respondent (in the case of a BOOT contract) schedule and operate the asset to maximize value (e.g. the 'Hybrid Contract' option from the 2021 RFI)? Is there any flexibility in the dispatch and bidding characterization in E.3.that might allow for Respondent to provide insight on optimizing value from the asset (e.g. the 'Hybrid Contract')?   | The Hybrid Contract that was discussed in the RFI is not an available contract option in this RFP. PSEGLI will schedule the energy storage project on behalf of LIPA to obtain its maximum value based on its use case. Respondent must comply with the terms of the BOOT Contract, however if a Respondent believe there are ways LIPA can obtain additional value from their proposed Projects given that they will be scheduled by PSEGLI for LIPA, they should include them in their Proposals and take appropriate exceptions (if required) in the contracts. If the Respondent has proposed changes, please refer to Section 2.5 of the RFP.   | 21-Jun-21   |
| 31  | The RFP suggests that projects can be proposed at sites that LIPA may acquire – Schedule F sites (referenced in section 2.9.1) – the outline document related to these sites (uploaded on May 18th) lists some of the National Grid generation sites but not all of them as locations where expressions of interest are solicited (item 2 in the outline). Are the other National Grid generation sites (Southampton, East Hampton, Holtsville, Wading River & Montauk) also available for statements of interest and proposal under the acquisition strategy (assuming Respondent can identify appropriate space)? | LIPA has listed on the RFP Website all of the generation sites owned by National Grid that LIPA has interest in potentially acquiring in this RFP for energy storage projects developed by Respondents.  | 21-Jun-21   |
| 35  | Is the requirement to not apply for CRIS (section 6.7.9) indicative that projects should not apply for interconnection with NYISO before selection (also implied by section F.4. of Appendix F)? If so, how can respondent be held responsible for managing schedule risk related the latest COD date listed in the RFP?  | Respondents should comply with RFP Section 6.7.9. Please also refer to BOOT Contract Section 3.2.3. The requirement to not file for CRIS unless and until instructed by PSEGLI or LIPA will be taken into account in assessing managing scheduling risk.   | 21-Jun-21   |
| 38  | Section 7.2.2 indicates that one quantitative metric for evaluating projects is "Costs for required transmission and/or distribution reinforcements not included in the proposed pricing." -- section 6.7.9 puts the responsibility on Respondent to include system upgrade costs in their pricing. Please clarify.   | Evaluation of proposals may identify transmission reinforcements beyond that captured in a respondents proposal. This additional cost will be considered in the evaluation process.  | 21-Jun-21   |
| 40  | Section 6.2.2., Proposal Sections Outline, includes Appendix E (Technical Response) and Section 6.19 requires a Statement of Compliance. Please confirm that additional documents, such as study documents and certifications listed in Appendix E and not specifically required in Section 6, can be provided during post-award detailed project design and are not be required to be included in the proposal submittals.   | Respondents must agree to meet the technical requirements set forth in Appendix E without any material exception and a Proposal must include a statement committing the Project to meeting all of the Technical Specifications for energy storage resources set forth in Appendix E. Additional documents, such as study documents and certifications listed in Appendix E and not specifically required in Section 6, can be provided during post-award detailed project design and are not be required to be included in the proposal submittals. The Proposal shall list these documents and provide a specific information schedule for the delivery of the documents following award, if not submitted with the Proposal. | 21-Jun-21   |
| 41  | Two independent power supplies for HVAC system have been requested.<br>No specific requirement for mechanical equipment redundancy is included.<br>Please confirm that a cooling system sized for 100% design requirements with two independent power supplies will be acceptable   | An independent power supply is defined as two redundant, independent power supply systems to convert or regulate power from the source into the correct voltage and frequency levels for the HVAC system. An HVAC system sized for 100% design requirements with two independent power supplies is acceptable.   | 21-Jun-21   |

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| 51  | <p>We are seeking clarification to RFP section E.10.1.3 regarding auxiliary power:</p> <ul style="list-style-type: none"> <li>• Please clarify why the primary source for auxiliary power must be taken from the distribution system.</li> </ul>   | <p>It is PSEGLI practice to provide all of the LIPA substations with two separate and independent sources of auxiliary AC power. One source is designated as the preferred feed and the other as the alternate feed. The two sources are usually supplied from separate medium voltage switchgears connected to different substation transformers. For smaller substations where only one substation transformer is available, the alternate source is supplied from a separate distribution feeder connected to a different substation.</p> <p>This requirement is to be met by the respondents to this RFP. If the proposal design submitted by the respondents cannot support the requirement to have two separate and independent auxiliary AC sources, then it is the respondent's responsibility to secure the second source from the distribution system.</p>                            | 21-Jun-21   |
| 52  | <p>We are seeking clarification to RFP section E.10.1.3 regarding auxiliary power:</p> <ul style="list-style-type: none"> <li>• Question 5: Would it be possible to source auxiliary power via the project's medium voltage system or DC buses while still meeting all POI power requirements?</li> </ul>  | <p>It is PSEGLI practice to provide all of the LIPA substations with two separate and independent sources of auxiliary AC power. One source is designated as the preferred feed and the other as the alternate feed. The two sources are usually supplied from separate medium voltage switchgears connected to different substation transformers. For smaller substations where only one substation transformer is available, the alternate source is supplied from a separate distribution feeder connected to a different substation.</p> <p>This requirement is to be met by the respondents to this RFP. If the proposal design submitted by the respondents cannot support the requirement to have two separate and independent auxiliary AC sources, then it is the respondent's responsibility to secure the second source from the distribution system.</p>                            | 21-Jun-21   |
| 58  | <p>RFP Table G-5 provides an estimated annual MW Charge/Discharge Throughput of 69,936 MWh per year.</p> <ul style="list-style-type: none"> <li>• Question 10: If only for 8J Southold Substation POI, is LIPA willing to provide the estimated annual throughput (MWh) for the entire North Fork?</li> </ul>  | <p>The estimated annual throughput (MWh) provided in table G-5 is associated with an interconnection point at Southold, but correlates to supporting the local area for a specific need. LIPA will not provide estimated annual throughput (MWh) for the entire North Fork.</p>   | 21-Jun-21   |
| 61  | <p>Regarding LIPA-owned and Schedule F Sites:</p> <ul style="list-style-type: none"> <li>• Question 13: Is LIPA and National Grid delegating separate PILOT and other Tax negotiations/settlements to each of interested individual Respondents?</li> </ul>  | <p>As noted in Section 6.16.6 of the RFP, Respondents are encouraged to negotiate and be able to transfer to LIPA PILOT agreements on Project sites. Respondents are responsible for pursuing potential sales tax exemptions and property real-estate tax abatements and exemptions. As noted in the RFP, Respondents should identify and discuss any PILOTs that are part of their Proposals, including a breakout of the cost of PILOTs in their pricing.</p>   | 21-Jun-21   |
| 62  | <p>Regarding LIPA-owned and Schedule F Sites:</p> <ul style="list-style-type: none"> <li>• Question 14: Given the limited time available for Respondents to entertain/Propose Schedule F and/or LIPA owned Sites: <ul style="list-style-type: none"> <li>o Versus the time required negotiate PILOT and Tax related Agreements with the involved local IDAs for Schedule F and/or LIPA owned Sites, is PSEGLI inclined to identify/facilitate a streamlined approach for interested Respondent to secure the required PILOT and Tax Benefits information from each of the involved IDAs in time for July 30th Proposals submittals? We are concerned that there is insufficient time, and that this may lead to confusion among IDAs and Respondents.</li> <li>o Has PSEGLI technically and/or environmentally screened each of these Sites regarding RFP criteria (e.g., Permitted Use zoning, NYSDEC Mapped Wetlands, 1-in-500-year Flood Hazzard Zones)? A quick preliminary check indicates that several of the identified LIPA-owned and Schedule Sites appear to fail to meet certain of these RFP Evaluation Criteria.</li> </ul> </li> </ul> | <p>Please refer to the schedule in the most recent RFP addendum for the required schedule. Respondents should identify and discuss any PILOTs that are part of its Proposals and include these expenses, as noted in Section 5.5.1, in their Proposal. PILOT agreements are not required to be completed at the time of Proposal submission, but firmness of property tax/PILOT agreements with governmental authorities and associated risks (only for BOOT Contracts) will be evaluated in the proposal evaluation. Lastly, please refer to Section 7.3 with regards to the Energy Storage Contract and contract negotiations.</p> <p>PSEGLI is aware that there are certain of environmental concerns at the some of sites owned or potentially acquired by LIPA (Schedule F Sites). Respondents are responsible for meeting the requirements noted in the RFP for any proposed Project.</p> | 21-Jun-21   |
| 67  | <p>Regarding standby / buyback charges:</p> <ul style="list-style-type: none"> <li>• Question 19: RFP section E.17.2.3 states that the project's control system design also shall provide for local manual operation, remote operation, or dispatch from PSEGLI's SCADA system or remote access point. Is PSEGLI amenable to charging / discharging restrictions to minimize contract demand charges that the project will incur?</li> </ul>   | <p>Please clarify what demand charges you are referring to so that we can properly understand your question and provide an answer.</p>  | 21-Jun-21   |

PSEG Long Island  
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| 73  | The 2020 RFI states that “comprehensive studies are required to assess interconnection feasibility and MW values including charging limitations of the LIPA Preferred Locations. Such studies have not been completed at this time but are expected to be complete with results shown in the 2020 PSEGLI Bulk Energy Storage RFP”<br>Can LIPA confirm whether such studies have been conducted and whether bidders will have access to the results? | Interconnection feasibility and capacity value limitations of the LIPA Preferred Locations identified in the 2020 RFI are not available.  | 21-Jun-21   |
| 74  | The RFP Section 9.0 refers to forms 100-105 to be submitted. Please confirm or identify that the numbered MWBE forms required by the RFP correspond to those named as follows: MWBE Utilization Plan (100), EEO Policy Statement (100), Workforce Utilization Plan (103), Staffing Plan, and Diversity Questionnaire (101/102).   | Required MWBE Forms include MWBE Utilization Plan, Workforce Utilization Plan, Staffing Plan, Diversity Questionnaire (which incorporates forms 101/102), and EEO Policy Statement.   | 21-Jun-21   |
| 85  | Section 6.2.2. specifying the proposal outline identifies “14. Description of Benefits to Disadvantaged Communities”; however, there are no further details provided. Everything outlined in 6.2.2. comes with further details in Section 6; is the Description of Benefits to Disadvantaged Communities missing? If so, please provide guidance on what should be discussed in this section.   | Please see RFP Section 2.11.  | 21-Jun-21   |
| 86  | For proposals deemed non-responsive, or that are not otherwise selected, will the \$1,000/MW proposal submittal fee be returned?  | The Proposal Submittal Fee is non-refundable.   | 21-Jun-21   |
| 87  | Are the audible noise requirements in Appendix E (E.19.1) meant to be a design basis such that any local requirements which may require additional noise mitigation be considered a recoverable extra cost?   | Appendix E. describes the Energy Storage Specifications and all energy storage technologies proposed in the Proposals shall meet the technical criteria set forth in this appendix as a Threshold Requirements used for Proposal Evaluation. Please see RFP Section 5.5.1 for Proposal Expenses as it relates to local, state, and other federal regulations. | 21-Jun-21   |
| 88  | Please confirm the proposal format (hard copy, electronic copy) and addresses for proposal delivery/submittal.  | Please refer to RFP Section 5.7.7 and 3.2 for guidance on the Private RFP Website with regards to electric submittal.   | 21-Jun-21   |
| 90  | Under Section 2.2.1 the Respondent shall provide evidence of unconditional site control. However, the paragraph also seems to allow for Respondents to lease certain sites that may potentially be available (Section 2.9). Is the Respondent required to offer an alternate site location as part of their proposal?   | An alternative proposal is not required.  | 21-Jun-21   |
| 94  | If PSEG-LI awards a project on a PSEG-LI site, will the developer/respondent be forced to transfer ownership of the project to PSEG-LI?   | The ownership will transfer upon COD for a BOT project and upon the expiration of the term of the BOOT contract. Please note that ownership will be transferred to LIPA, not PSEGLI.  | 21-Jun-21   |
| 95  | Does PSEG-LI give preference for projects sited on PSEG-LI/National Grid owned land in evaluation criteria?   | There are no preferred sites or points of interconnection in the RFP evaluation criteria. However, please note that all projects must meet the technical requirements in Appendix E of the RFP, including being interconnected at 69kV or above.  | 21-Jun-21   |
| 96  | What is the expected response time for interconnection inquires as they will dictate site lease and purchasing decisions?   | The time depends upon the nature of the interconnection inquiry.  | 21-Jun-21   |
| 97  | Where and when can we find the recorded webinar?  | Please refer to the RFP Website for the pre-recorded presentation.  | 21-Jun-21   |
| 98  | Will PSEG-LI be responsible for permitting on PSEG-LI/National Grid owned sites?  | The respondent is responsible for developing a permitting plan regardless of site ownership. Please see 6.12.3., 6.12.4, 6.15.1, 6.15.3, and 6.16 in the RFP for more information on permitting.  | 21-Jun-21   |
| 99  | If Respondent is awarded more than one project will they be responsible for a letter of credit of \$150,000 per awarded contract?   | Yes   | 21-Jun-21   |
| 100 | If Respondent chooses to respond to more than one site to be acquired by LIPA, will Respondent be only responsible for one proposal fee or will submittal fees be required for more than one alternative site?  | Please refer to Sections 5.6.2 and 5.6.3 of the RFP. The Proposal Submittal Fee will be waived for the first Alternative Proposal for each proposal with a site potentially acquired by LIPA.   | 21-Jun-21   |
| 101 | Will PSEG-LI assign a project lead for each project submission?   | A project manager will be assigned for each selected project.   | 21-Jun-21   |
| 102 | Will PSEG-LI give preference for Energy Storage projects that already in the interconnection queue and at later stages?   | Please refer to PSEGLI's response to RFP Clarifying Questions 6 and 35.   | 21-Jun-21   |
| 103 | Does PSEG-LI have information about Tapping into Transmission/Distribution lines and the locations of available Tap stations?   | Additional information, beyond the documentation provided on the 2021 Bulk Energy Storage RFP Website is not available.   | 21-Jun-21   |
| 104 | Does PSEG-LI have preference/recommendation for community outreach and engagement for relatively benign stand alone storage projects?   | Please refer to Section 6.12.5 and 6.15.3 of the RFP.   | 21-Jun-21   |
| 106 | In Appendix 5 of the BOOT contract a “Monthly Scheduling Charge” is requested. However, Section 2.2.6 of the RFP and Section 3.8 of the BOOT contract stipulates that LIPA will be the scheduling coordinator. Can LIPA please clarify?   | The Respondent should include all payments as described in Appendix C of the RFP. Please also reference the response to RFP Clarifying Question #5.   | 21-Jun-21   |



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| 107 | <p>In PSEGLI RFP Q&amp;A Response #4, Throughput is clarified as "the summation of all energy passing through the system...energy stored plus delivered..."</p> <p>Based on PSEGLI Response #4, an 8J Southold Substation system throughput of 69,936 MWh/Year (RFP Table G-5) at an RTE of 85% would equate to 32,133MWh discharged in one (1) Year (with a 37,803MWh charge into the BESS). For an 8-hour BESS, this amounts to 167 full cycles/Year (or 32,133MWh [24MW x 8 hours]).</p> <p>Since we're accustomed to seeing Throughput measured as the energy discharged from the BESS, which would also allow more cycles, please clarify/confirm if the intention is for a BESS, which allows for only 167 cycles/Year at 8 hours (and the associated discharge energy of 32,133 MWh) or if the maximum MWh of 69,936, reflected discharge only and ~365 cycles if a 24MW BESS with 8 hour duration were to be constructed.</p>   | <p>Throughput defined in question 4, is intended to encompass the charge and discharge of the BESS. The estimated annual MWh charge/discharge throughput of 69,936 MWh per year for the Southold use case is the combined charge and discharge MWh. The use case throughput is based on 24 MW x 8 hour duration for an estimated 153 summer days (May 1 – September 30).</p> <p>24 MW x 8 hr. = 192 MWh<br/>192 MWh x 153 days = 29,376 MWh discharge<br/>29,376 MWh / 0.85 RTE = 34,560 MWh charge<br/>Use case throughput (discharge + charge) = 63,936 MWh</p> | 21-Jun-21   |
| 108 | <p>Regarding the PSEG LI Energy Storage RFP, as Respondents may be submitting these project sites under this RFP and the NYSEDA Tier 1 RFP (running concurrently), please confirm a submission under this RFP does not create a binding obligation for the Respondent as the site may be submitted to more than 1 RFP at a time.</p>  | Confirmed.  | 21-Jun-21   |
| 9   | <p>Section 2.2.5 of the RFP states that Respondents proposing a site and POI not listed in Appendix G have to include one or more energy storage use cases relevant to the proposed project. Will capacity information and the latest NYISO load flow model be made available for additional substations on Long Island so that Respondent can accurately present the energy storage use cases?</p>   | <p>Respondents may propose a POI not listed in Appendix G. If so, Respondents must also include one or more energy storage uses cases relevant to the Project and site. PSEGLI will not be providing the capacity information and latest load flow models outside of what has already been provided in Appendix G.</p>  | 11-Jun-21   |
| 10  | <p>Appendix B of the 2020 Bulk Energy Storage RFI lists 17 LIPA Preferred Locations where battery storage would provide "increased benefits to LIPA's customers;" however the RFP only includes two substations from this list in Appendix G (Southold and Glenwood). Does LIPA wish to see Respondents propose energy storage deployment at the other 15 substations listed in Appendix B?</p>   | <p>It should be noted that the RFP does not include any Preferred Locations. The two substations referenced in the RFP (see Appendix G), serve as two points of interconnection (POIs) that have been identified for the deferral of transmission lines, but are not considered Preferred Locations under the RFP. Respondents may select any POI as long as it meets the requirements in the RFP.</p>  | 11-Jun-21   |
| 11  | <p>If a Respondent is proposing a site that will require a Gen-Tie to the substation, is the Respondent able to utilize existing easements that PSEG Long Island and/ or LIPA have executed?</p>  | <p>This would need to be reviewed by PSEGLI/ LIPA on a case-by-case basis to determine whether an existing LIPA easement can or cannot be used.</p>   | 11-Jun-21   |
| 12  | <p>According to section 5.6.1 of the RFP, Respondents are able to submit two identical proposals under one proposal fee, as long as the only difference between the bids is that one contains O&amp;M services and the other does not. Section 2.9.2.2 indicates that if a Respondent were to use a site that potentially may be acquired by LIPA, the Respondent can submit an alternative proposal in the case that LIPA is unsuccessful in acquiring the parcel. If a Respondent were to bid both a site that will be potentially acquired by LIPA and an alternate, is the Respondent able to also include a proposal with and without O&amp;M services for both sites?</p>   | <p>The alternative proposal will be provided as an alternative to the proposal utilizing a site to be acquired by LIPA, and will not require a Proposal Submittal Fee. As long as the proposals for O&amp;M services are identical to the proposal at the site that will be acquired by LIPA and the alternative proposal, then a separate Proposal Submittal Fee is not required.</p>  | 11-Jun-21   |
| 14  | <p>In Appendix D of the RFP, it is stated that the proposed technology has to have been in continuous commercial operation for a minimum of three years. The respondent assumes this requirement will be met based on proposed COD of the project. For example, if a Respondent proposes a COD of December 2025, the technology is expected to be in continuous commercial operation for three years starting December 2022. Alternatively, for the earlier COD proposals (e.g., 2023/2024), respondent would like to comply to this requirement using the following approach. • Provide the performance warranty during the PPA term using a proposed technology (i.e., Indemnifying PSEG-LIPA from the lack of guaranteed performance) and • Provide all the test data and bankability reports by a third party demonstrating the confidence in the proposed technology. Please confirm if this approach is acceptable to PSEG-LI/LIPA. If not, do let us know what additional data you would require in lieu of meeting this requirement</p> | <p>The three year commercial operation threshold requirement is based off the time of submission of proposal as LIPA is evaluating the commercial viability of the proposed technology.</p>   | 11-Jun-21   |
| 16  | <p>For the sites in floodplains, like Barrett, what is LIPA's expectations for development? Should we assume we need to build the site or lift containers out of the floodplain?</p>  | <p>The site design is determined by the Respondent. Environmental impact will be considered in evaluation, thus the Respondent shall ensure their Proposal accounts for all applicable regulations and requirements in the RFP.</p>   | 11-Jun-21   |

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| 17  | Can LIPA please clarify the situation regarding site control? We understand that site control is required and that a site will be considered under bidders control if bidder a) provides sufficient documentation for own site or b) submits a proposal on a LIPA owned site (meaning either Shoreham or Southold). Per Section 2.9.1 of the RFP we understand that a site to be acquired through National Grid will not be considered as having site control and therefore a bidder must at least submit a bid for one site that is either under bidders control or Shoreham or Southold. Please can you confirm that our understanding is correct? | The list of sites owned by LIPA and sites that LIPA may potentially acquire from National Grid are available on the RFP website. If a Project is located on a site owned by LIPA, site control does not need to be demonstrated. If the Project is located on a site provided by the Respondent, site control must be demonstrated as noted in Section 2.2.1. If the Respondent is proposing a site potentially acquired by LIPA from National Grid, it does not need to present evidence of site control as site control is uncertain at this time (See Section 2.2.1). | 11-Jun-21   |
| 18  | PSEGLI would be well advised to also require Respondents to include a completed SEQRA SEAF (Short Environmental Assessment Form) among the RFP's Required Respondent Data Forms for each Proposal as this Project/Site Information/Data Form would provide PSEGLI with invaluable additional complementary/supplemental Project/Site information and Data to that currently required in the RFP for PSEGLI's and LIPA's far better informed Project/Site review, evaluation and decision-making given LIPA preferred BOT and BOOT contracting structures.  | Thank you for the suggestion.  | 11-Jun-21   |
| 19  | Regarding the RFP LIPA-owned and Schedule F Properties identified, for which Respondents are responsible for performing the identical pre-Proposal submittal actions and providing identical Proposal information, as that required for Respondent purchased/leased Sites, including documented Stakeholders Outreach, has LIPA/PSEGLI notified/had any RFP-related (e.g. Energy Storage and these Sites) discussions with each of the involved Towns, which can be shared in advance of Respondents' Stakeholders outreach, including each of the involved Town Administrations, Planning & Environmental Departments, Planning Boards?             | LIPA/PSEGLI has not performed any community outreach. The Respondent must provide a community outreach plan for its Project and evidence of community support. The community outreach, which must be performed by the Respondent, shall be a part of the development plan and include a description of community benefits and evidence of community support.   | 11-Jun-21   |
| 24  | We are evaluating the option to bid into the 2021 Bulk Energy Storage RFP. We would like our counsel to review the lease agreement before submitting Inspection Request Form. The RFP indicates that the lease agreement will be posted in accordance with the 4.0 RFP Schedule, however there is no applicable line item for the form of lease agreement. Can you advise on when we expect to see?  | The lease agreement will be posted on the RFP Website shortly.   | 11-Jun-21   |
| 25  | Are previous listed preferred locations (from the 2020 RFI) still considered preferred?  | See response to RFP Clarifying Question 10.  | 11-Jun-21   |
| 27  | Please clarify the site control requirement listed in 2.2.1 "...equivalent demonstration of site control" ? If a project meets the NYISO tariff requirements for site control in an interconnection request is that sufficient for this RFP? Municipal, state, federal, and other public entities offer land under different arrangements – lease, easement, etc. for the durations specified in the RFP, but not acquisition – does that meet site control requirements?  | The Proposal must present evidence of site control as set forth in Sections 2.2.1 and 6.16.2 of the RFP that demonstrates that such control is nonconditional. Such evidence states that the site must be controlled by the Respondent through either fee ownership, a land lease, option to lease or purchase, or equivalent demonstration of site control. Stating that the project meets the NYISO tariff requirements for site control in an interconnection request is not sufficient.  | 11-Jun-21   |
| 30  | When will the "Lease Agreement" be available on the website?   | The lease agreement will be posted on the RFP Website shortly.   | 11-Jun-21   |
| 32  | Section 2.5.2 indicates that BOOT contracts can be proposed to sites owned by LIPA -- does this include both Schedule F and Appendix G locations?  | BOOT Contracts can be proposed for all sites, whether owned or potentially acquired by LIPA or provided by the Respondent.   | 11-Jun-21   |
| 33  | Section 2.8 indicates that a letter of credit is sufficient to provide security for the contract -- are there other forms of security allowed?   | Security is only accepted in the form of a letter of credit in the amount of \$150,000 per MW of the Project's Contract Capacity.  | 11-Jun-21   |
| 34  | Is the RFP submission deadline at 1159p on July 30?  | The RFP Proposal Submittal Deadline is July 30, 2021 at 11:59 pm.  | 11-Jun-21   |
| 36  | Section 6.17.2 indicates that Respondent must indicate markups of the BOOT contract by using track changes in Microsoft Word -- however, the BOOT contract has only been provided as a PDF...will a Word version of the final draft BOOT contract be provided?   | A Word document of the contract will be posted to the RFP Website.   | 11-Jun-21   |
| 37  | p.68 of the BOOT contract has some aberrations -- section 15.9.1 seems to come after section 15.12   | Thank you for pointing this out to us. We will be posting a new Addendum to the BOOT Contract shortly that will fix this issue, other formatting issues, and make some other relatively minor changes to the contract.   | 11-Jun-21   |
| 39  | Would the developer have the ability to overdevelop the project and manage the excess MWs dispatch?  | No   | 11-Jun-21   |
| 42  | Please confirm if full ESS performance testing will be permitted to be conducted while grid connected, allowing full charge and discharge to the grid up to the established facility capacity size and interconnection limitations   | Yes, ESS performance testing will be permitted when the Project is connected to the grid.  | 11-Jun-21   |
| 43  | Is the 30% MBE/WBE/DBE requirement based upon the non-specialty scope for the project?   | The 30% MBE/WBE/DBE requirement is based on all subcontractors for the specialty and non-specialty scopes of work.   | 11-Jun-21   |

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| 44  | In the NYISO 2019-2028 Comprehensive Reliability Plan under the Peaker Rule Scenario, NYISO identifies specifically in Zone K as Other Potential Issues - "Several generators affected by the Peaker Rule are located on the low side of a 69/13.8 kV transformer... Retirement of these generators may require upgrades in the substation to increase the capacity of the transformers feeding the 13.8 kV systems." What factors has LIPA considered to exclude projects large enough to secure NYISO capacity rights, however interconnecting on the 13.8 kV system? Will LIPA consider addressing the concerns identified by the NYISO with future RFPs or NWA solicitations?   | We continue to evaluate non wire solutions such energy storage to address T&D utility constraints as applicable. NYISO studies are also coordinated with local transmission owners so that local solutions can be incorporated in the process. Please note that this RFP requires that Projects must interconnect to the electric grid at 69 kV or higher.   | 11-Jun-21   |
| 45  | What are LIPA's goals regarding storage capacity over the life of the Project? Would LIPA prefer a flat storage capacity for some time or is a degrading battery acceptable?  | The Respondent must provide information about any degradation of energy storage capacity expected as a result of age or utilization, including how the degradation will be addressed to maintain Project nameplate capacity at the Contract Capacity throughout the 20 year design life. The Respondent shall provide battery degradation curves including a table of the estimated annual MWh output of battery energy storage systems for Year 0 through Year 20. At the end of the BOOT Contract seven-year term, it is expected that the capacity of the system will be at least equal to the project's Contract Capacity. | 11-Jun-21   |
| 46  | Can LIPA explain the rationale behind the Contract Capacity not exceeding 105% of the Project Capacity? Is this a build constraint, or is it only meant to flow through to indicate that LIPA will not make a Capacity payment for capacity above 105% of the Project Capacity?   | It is not a build requirement, and is meant to indicate that LIPA will not make a Capacity payment for capacity above 105% of the Project Capacity.  | 11-Jun-21   |
| 47  | Please clarify if the definitions of "Capacity" and "Contract Capacity" refer to the storage facility's power rating (measured in MW) and does not refer to storage duration capacity (measured in MWh).  | Correct, "Capacity" refers to the power rating in MW and not the "Energy" in MWh (as noted in the LIPA's Preferred Bulk Energy Storage Build-Own-Operate-Transfer Contract.  | 11-Jun-21   |
| 48  | We are seeking the following clarification regarding the specified Proposal Fee:<br>a) For Schedule F Sites, section 2.9.2.2 of the RFP states "Since LIPA cannot predict successful acquisition of such parcel(s), a separate Proposal Submittal Fee will not be charged for the first alternative Proposal."<br>• Question 1: Can Respondents propose Projects at Schedule F Sites as standalone Proposals without being charged a \$1/kW fee? Or, must Respondents submit a Project Proposal using a Schedule F Site as an alternative to a Project Proposal at a Site controlled by the Respondent?<br>• Question 2: If so, per RFP section 5.6.2, will Respondent only be required to pay one Proposal Submittal Fee based on the Proposal containing the Project with the higher MW capacity? | Question 1: A Respondent proposing a Project at a Schedule F site as a standalone Proposal must pay a Proposal Submittal Fee. If the Respondent submits such a Proposal, it may submit an alternative Proposal using a site controlled by the Respondent without paying a Project Submittal Fee.<br>Question 2: The Project Submittal Fee paid in this instance would be based on the Project having the higher MW amount.   | 11-Jun-21   |
| 49  | We are seeking the following clarification regarding the specified Proposal Fee: b) For LIPA-owned Sites:<br>• Question 3: can Respondents submit a Proposal using LIPA-owned Shoreham or Southold Sites as an alternative to a Project at a Respondent controlled Site or will proposals using LIPA-owned property require a separate Proposal?  | A proposal with a project on LIPA owned property and a project on a Respondent controlled site requires two Proposal Submittal Fees.   | 11-Jun-21   |
| 56  | RFP Table G-5 states the RFP is seeking a minimum of 6MW at LIPA's 8J Southold substation. • Please clarify whether participants can Propose a Project below the RFP's minimum 20.1MW requirement this POI.   | Participants cannot propose a Project below the RFP's minimum 20.1 MW requirement for this POI or any other POI.   | 11-Jun-21   |
| 57  | RFP Table G-5 provides an estimated annual MW Charge/Discharge Throughput of 69,936 MWh per year.<br>• Question 9: Is this estimated throughput specifically at 8J Southold Substation POI or would this also apply to an energy storage Project with a nearby North Fork POI?  | The Throughputs noted in Appendix G of the RFP are for the two specific Point of Interconnections.   | 11-Jun-21   |
| 59  | Regarding LIPA-owned and Schedule F Sites:<br>• Question 11: Are any of the involved Town and IDAs aware, through LIPA and/or PSEGLI, that energy storage is being proposed on the identified LIPA-owned and Schedule F Sites?  | LIPA has not reviewed this RFP with any Towns or IDAs.   | 11-Jun-21   |

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| 60  | Regarding LIPA-owned and Schedule F Sites:<br>• Question 12: If no, will it be up to interested Respondents to perform this outreach?  | Respondents are responsible for performing community outreach to gain support for their proposed projects (see Sections 6.12.5 and 6.15.3 for more information on the community outreach plan, that is required by the Respondent).  | 11-Jun-21   |
| 64  | Regarding EPC, BOP contractors and subcontractors, and O&M.<br>• Question 16: Section 3.1.6 of LIPA's Preferred BOOT Agreement: Is an EPC Contract obligatory? Can Respondents contract directly with a battery supplier and balance of plant (BOP) contractors directly to manage the project rather than through an EPC contract?  | An EPC Contract is not mandatory. Respondent may elect to assume the role of the EPC contractor.   | 11-Jun-21   |
| 65  | Regarding EPC, BOP contractors and subcontractors, and O&M.<br>• Question 17: Regarding RFP section 2.10, what is LIPA's expectation for O&M provision after the transfer of ownership in either contract structure (BOT or BOOT)? Will LIPA want to contract directly with a battery supplier or with the Seller? Based on our experience to date, battery suppliers are not willing to stand by their performance guarantees unless they also provide O&M for the project. | LIPA is open to contracting with either the Seller or the battery supplier depending upon which entity provides the overall better pricing, terms, and conditions for its services.  | 11-Jun-21   |
| 66  | Regarding standby / buyback charges:<br>• Please clarify the Service Classification the project will take for its distribution service to power the proposed project's auxiliary load.<br>• Question 18: Will PSEGLI be liable for the standby / buyback rates associated with the project after the transfer of ownership in either contract structure (BOT or BOOT)? Or, will PSEGLI expect the Respondent to be liable for standby / buyback rates during the O&M period? | Service Classification: LIPA Tariff- SC 2MRP Rate 285 Large General and Industrial Service with MRP.<br>Liability: Respondent will not be liable for standby / buyback rates after the transfer of ownership.  | 11-Jun-21   |
| 68  | Regarding performance guarantees and availability:<br>• Question 20: Section 5.7.1 (i) of LIPA's Preferred BOOT Agreement: How is 'Capacity of the Project Available for Operations' calculated? The term is used in this section but never defined.   | The Capacity of the Project Available for Operations is equal to the Contract Capacity limited to the average hourly output of the most recent Contract Capacity Test per Section 3.6.2 less any Contract Capacity that is not available due to a Forced Outage. In addition, when the Project is providing reactive power as per Appendix 9: OPERATING LIMITS, and the Project's output is below [X] MW, the Capacity of the Project Available for Operation will be determined based on the expected full MW output that would be available if Seller were not supplying reactive power. | 11-Jun-21   |
| 70  | Regarding performance guarantees and availability:<br>• Question 22: Section 3.19 of LIPA's Preferred BOOT Agreement: How does PSEGLI intend to provide dispatch instruction to the Seller? Does Buyer expect to use automated telemetry to the project via an on-site RTU or does PSEGLI expect manual dispatch?  | This will be addressed in the Operating Instructions (see Section 5.8 of the BOOT Agreement).  | 11-Jun-21   |
| 71  | If the Respondent is considering a POI other than the two listed in Appendix G, does LIPA have a minimum battery discharge (hours) preference?   | If a Respondent is considering a POI other than the two listed in Appendix G, LIPA does not have a minimum battery discharge (MWh) preferences as long as the respondent meets the minimum capacity requirements of 20.1 MW. The minimum battery discharge (hours) would be a function of the use case study submitted in the Respondent's Proposal.   | 11-Jun-21   |
| 75  | Does LIPA have a preference for whether the battery's capacity should be maintained over the project term or if the battery should be allowed to degrade?  | LIPA requires that the energy storage project's capacity is maintained over the term of the BOOT Contract.   | 11-Jun-21   |
| 77  | What assurances can LIPA provide that permits can be secured for a LIPA provided site? If any, what would this permitting process look like?   | LIPA is providing no assurances that a proposed Project can be permitted on a LIPA owned site. It is the Respondent's responsibility to permit its Project and to determine the permitting process for its Project.  | 11-Jun-21   |
| 78  | Is LIPA planning to submit interconnection requests for LIPA owned sites that would then be transferred to developers upon execution of the PPA?   | Respondents are required to submit interconnection requests to NYISO for their proposed Projects on their proposed sites whether they are provided by LIPA or the Respondent. Please refer to Section 7.3.3, and Appendix F.   | 11-Jun-21   |
| 80  | Will an investment grade corporate guaranty be an acceptable form of security as an alternative to a letter of credit?   | No. Please see Section 2.8 of the RFP for security requirements.   | 11-Jun-21   |
| 81  | If a consortium submits a proposal may each member of the consortium provide separate qualifying security that adds up to the total required security?   | Yes. Separate qualifying securities may be provided by individual members of the consortium, as long as the credit is in a total credit amount satisfies the requirement in Section 2.8 of the RFP.  | 11-Jun-21   |
| 82  | How will LIPA determine its preference for BOOT vs BOT? Does LIPA have a preference now?   | LIPA has no preference between a BOT or a BOOT contract. We will evaluate each Proposal using the evaluation criteria set forth in the RFP and make our selection(s) based on this evaluation. Part of this evaluation will include our assessment of the risks imposed by the Respondent in any contract exceptions taken to the BOT or BOOT.   | 11-Jun-21   |

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| 83  | Would LIPA consider a duration less than the 9-hour Minimum duration at Glenwood?  | For the transmission deferral use case at Glenwood a minimum duration of 9 hours duration is required per Table G-6. We understand the difficulty and expense of a 9 hour duration energy storage system. This duration requirement can be covered with more than one energy storage system comprising one Project. As an example, a 4-hour and 5-hour BESS.   | 11-Jun-21   |
| 84  | Under the BOOT, per 6.17.3 a Respondent may retain ownership of the Project site that is owned by the Respondent by leasing the site to LIPA in the post-transfer period for a maximum of 14 years. May the Respondent do the same under the BOT contract (ie, transfer the project to LIPA at COD but retain the site under a lease for the remainder of an agreed Project life)?   | Yes. Please see RFP Section 2.2.3 for LIPA's preferred ownership and lease terms for the BOT contract.   | 11-Jun-21   |
| 89  | In Appendix K, some of the additional reference links do not work. Will these be corrected?  | We apologize for the inconvenience. These have all been fixed now.   | 11-Jun-21   |
| 92  | What is the date of the Bidder's conference/webinar?   | A pre-recorded presentation has been uploaded to the RFP Website for Respondent's review.  | 11-Jun-21   |
| 93  | When will the lease agreements for PSEG-LI and National Grid owned sites be available?   | The lease agreement is expected to be posted shortly.  | 11-Jun-21   |
| 105 | Section 5.7.4 states that a Proposal shall be submitted in the complete name of the party expecting to execute any resulting Energy Storage Contract. Can a single Bidding Entity submit multiple proposals, and if any such proposal(s) were selected in the RFP, then form one or more new, wholly-owned, subsidiaries of the Bidding Entity each of which would execute an Energy Storage Contract? It would be preferable for various reasons to create the subsidiaries after RFP selection | Yes  | 11-Jun-21   |
| 1   | Can you please confirm the method of Bidder questions submitted during the May 10-24 window as well as the timing of their responses? Section 3.3 indicates that RFP questions are to be submitted through the private RFP websites, but per Section 3.2.3, private log-in credentials are not assigned until after submitting the NOI. Please advise.   | Questions may be submitted using the Appendix J form of the RFP via email to Ask2021BulkStorageRFPQuestions@sargentlundy.com. Questions (without identifying information) and available PSEGLI responses will be regularly posted to the RFP Website. Please refer to the RFP Addendum.  | 25-May-21   |
| 2   | Section 1.2.3 indicates the minimum size at any location is 20.1MW. Appendix G and Table G-5 discuss the Southold deferral requirements. This table indicates 6MW to 24MW range as min and max sizes. If proposing a solution at the Southold substation, can the system size be in the 6MW to 24MW range?   | The minimum size project at a single location is 20.1 MW, and a Project is defined by having a single site with a single point of interconnection. If proposing a solution at the Southold substation the system size must be at least 20.1 MW but cannot exceed 24 MW.  | 25-May-21   |
| 3   | Section E.4.3 and other locations indicate the POI voltage must be 69kV or greater. Will PSEGLI consider an energy storage system connected at 23kV to the Orient substation to address the Southold Substation deferral described in section G.2.1?   | Projects shall be connected to the LIPA T&D System at a POI greater than or equal to 69 kV. PSEGLI will not consider an energy storage system connected at 23kV Orient Point substation as it will not adequately address the Southold Substation deferral described in Section G.2.1.   | 25-May-21   |
| 4   | Please clarify the definition of throughput in tables G-5 and G-6. For example, for a 10MWh nameplate system, does 20MWh of throughput mean 1 full charge and discharge cycle or 2 full discharges?  | Throughput means the summation of all energy passing through the system in any specified time period, such as one year. Throughput of 20 MWh for a particular project would mean that the energy stored plus delivered equates to 20 MWh. For example, if the discharge for the period is 20 MWh, and assuming 85% efficiency, the charge for the period is 23.53 MWh (20/0.85), the throughput for the period would be 43.53 MWh (20 + 23.53).  | 25-May-21   |
| 5   | Section 2.2.6 indicates winning respondents with BOOT contracts must become NYISO participants. 7.8 in the BOOT contract indicates Buyer will act as market participant and financial participant. Can you please clarify who is responsible for registering as market participant? If Seller, will Seller then assign to Buyer at COD?  | Respondent is responsible for submissions of an application for an interconnection request to the NYISO for its Project within 30 days of notification after final selection (if selected and if they haven't already done so). Upon Project completion, the Respondent will sell the Products of the Project to LIPA under the terms of the BOOT Contract for seven years. Upon transfer of the Project to LIPA after the termination of the BOOT Contract, the Respondent would assign its responsibilities as the "Developer" in the NYISO Large Generator Interconnection Agreement ("LGIA") to LIPA. As set forth in Section 3.8 of the BOOT Agreement (latest version with corrected numbering), Buyer will act as the NYISO market participant. An addendum will be issued to correct Section 2.2.6 of the RFP. | 25-May-21   |
| 6   | Appendix F.5 requests that interconnection requests be submitted as energy only but respondents may be requested to apply for CRIS rights. Will projects that are in the 2021 Class Year for CRIS and ERIS be evaluated negatively according to this RFP?  | No, projects that are in the 2021 Class Year for CRIS and ERIS will not be negatively evaluated according to this RFP due to their status in the 2021 Class Year for CRIS and ERIS.  | 25-May-21   |
| 7   | Appendix D uses the term "bulk power system". Can you please define this term (i.e. what minimum voltage)?   | The bulk power system is defined as transmission grade projects at 23kV and above. However, per Section E.4.3 and other sections of this RFP, projects submitted in the RFP proposal shall be connected to the LIPA T&D System at a POI greater than or equal to 69 kV.  | 25-May-21   |
| 8   | E.8.2 indicates that there must be 2 independent power supplies for the HVAC system. Can you please further define what counts as an independent power supply to comply with this requirement?   | Two redundant, independent power supply systems to convert or regulate power from the source into the correct voltage and frequency levels for the HVAC system. Refer to RFP E.8.  | 25-May-21   |

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