

POWER RESOURCE PLANNING & ACQUISITION
DEPARTMENT PROCEDURE**SUBJECT: COMPETITIVE SOLICITATIONS FOR POWER SUPPLY
PRODUCTS****1.0 GENERAL**

This procedure sets forth the requirement for prior Trustee approval of Competitive Solicitations for purchases of Power Supply Products including energy, capacity, ancillary services, and Environmental Attributes.

2.0 DEFINITIONS

- 2.1** “Competitive Solicitation(s)” means the act of requesting information to select winner(s) with the intent to negotiate and execute an agreement(s). Competitive Solicitations are commonly conducted through issuance of Requests for Proposals. Competitive Solicitation also refers to instruments used to gather information in order to inform an initiative that may lead to an agreement(s). Such instruments include Requests for Information and Requests for Expressions of Interest.
- 2.2** “Power Supply Products” means the energy, capacity, ancillary services, and/or Environmental Attributes.
- 2.3** “Environmental Attributes” or “Attributes” means all environmental characteristics, claims, credits, including Renewable Energy Credits, benefits, emissions reductions, offsets, allowances, allocations, however characterized, denominated, measured or entitled, attributable to the generation of actual production by a renewable generator.

3.0 PROCEDURE

- 3.1** This procedure applies to all Competitive Solicitations for Power Supply Products with terms in excess of the President and Chief Executive Officer’s approval threshold set forth in “Transaction Authorization Limits for Energy and Energy-Related Financial Transactions, February 2008.”

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- 3.2** Authority staff will secure Trustee approval prior to issuance of a Competitive Solicitation for Power Supply Products. The Trustees will be provided a summary of the Competitive Solicitation including but not limited to the purpose of the solicitation, proposed contract term, identified Authority customer(s), requested capacity and/or volume of Power Supply Products sought, estimated notional value, and target location, if applicable.
- 3.3** Following receipt of Trustee resolution authorizing Authority staff to proceed, staff may conduct the Competitive Solicitation following the guidelines for purchases of Power Supply Products.

4.0 RESPONSIBILITIES

This procedure shall be adhered to by the staff of all Authority Business Units and Departments. Authority management with responsibilities for issuing Contract Solicitations for purchases of Power Supply Products will ensure activities are conducted in accordance with this procedure.

5.0 EXEMPTIONS

Financial and hedging transactions associated with commodity risk are exempt from this procedure and are covered by a separate procedure, "Governing Policy for Energy Risk Management, September 2010."

6.0 REFERENCES

- 6.1** Transaction Authorization Limits for Energy and Energy-Related Financial Transactions, February 26, 2008.
Intranet link:
<http://powernet.nypa.gov/bs/ERAC/Trustees%20Actions/Trustee%20Resolution%20dated%20February%2026,%202008%20-%20Revised%20Trading%20Authorization%20Limits.pdf>
- 6.2** Power Resource Planning & Acquisition Department, Procedure for Requests for Proposals, September 2010.
Intranet link:
<http://powernet.nypa.gov/CEO/power/Pages/default.aspx>

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DEPARTMENT PROCEDURE**6.3** Governing Policy for Energy Risk Management, September 2010.*Intranet link:*

<http://powernet.nypa.gov/bs/ERAC/Trustees%20Actions/Trustee%20Resolution%20dated%20September%2028,%202010%20-%20Revisions%20to%20the%20Governing%20Policy%20for%20Energy%20Risk%20Management.pdf>