TOWN OF TONAWANDA, NEW YORK

Call for Expressions of Interest for Renewable Energy Development

Construction of a Utility Scale Renewable Energy Project at the Former Huntley Generating Station Site
3500 River Road, Tonawanda, NY 14150

November 1, 2017
1. Introduction

The CR Huntley Generating Station (“Huntley”) is a former coal-fired power plant located at 3500 River Road, Tonawanda, New York. The site is contiguous and adjacent to the Niagara River with significant water frontage.

Huntley was permanently retired by plant owner Huntley Power LLC, a subsidiary of NRG Energy, in March 2016. The former plant is located adjacent to, and connected with a National Grid switchyard and substation with multiple high tension transmission lines running from the plant. National Grid is conducting work to upgrade/improve its facilities in that yard/station. Huntley remains owned by Huntley Power and the company continues to control the site and property, but no power production operations are ongoing and the site is undergoing a decommissioning and closure process by Huntley Power.

The 102 acre site which is in the Town’s General Industrial Zoning District can be viewed via Google Maps at: https://www.google.com/maps/place/3500+River+Rd,+Tonawanda,+NY+14150/@42.97055,-78.9325027,824m/data=!3m1!1e3!4m5!3m4!1s0x89d36b618b4170e3:0x73ae64e38b25451b!8m2!3d42.97055!4d-78.930314.

The main complex is bordered on the east by River Road, bordered on the west by the Niagara River, on the south by an Erie County Water Authority pumping station, and bordered on the north by the National Grid switchyard and a private boating marina. An illustrative photograph (shown from the Niagara River side) is below:

The site includes two major buildings, each with a smokestack, baghouses, coal-handling facility, two separate river water intakes with screen house facilities, other related buildings, a rail line serviced by CSX, settling basins and retention ponds, security gate/pass building, parking lots, baseball field, wastewater treatment plant, and shoreline water intake facilities. The site is located next to Interstate 190 and about 2 miles from Interstate 290. The site also includes a 117 acre permitted landfill located at 4293 River Road that is approximately 1.5 miles from the coal plant.
2. Expression of Interest Objective

The main objective of this Expression of Interest (EOI) is to examine the possibility of repurposing the Huntley site as a national model for the effective re-use of former fossil fuel sites in the development of climate change-sensitive renewable energy development. A secondary objective is to potentially repurpose and maximize the infrastructure present on the site and surrounding area.

3. New York State Regulatory Landscape – Renewable Energy Supported

On December 2, 2015, New York Governor Andrew M. Cuomo directed the New York State Public Service Commission (PSC) to design and enact a new Clean Energy Standard mandating that 50% of all electricity consumed in New York by 2030 should come from clean and renewable energy sources (referred to as the 50 x 30 goal) such as, but not limited to solar and wind. This goal was stated as a response to climate change challenges and a desire to spur renewable energy development in New York State. On August 1, 2016, the PSC approved the Clean Energy Standard, said to be “the most comprehensive and ambitious clean energy mandate in the state’s history, to fight climate change, reduce harmful air pollution, and ensure a diverse and reliable energy supply.”

The PSC August 1, 2016 order adopting a Clean Energy Standard included: (a) program and market structures to encourage consumer-initiated clean energy purchases or investments; (b) obligations on load serving entities to financially support new renewable generation resources to serve their retail customers; and (c) a requirement for regular renewable energy credit (REC) procurement solicitations.

Under the Clean Energy Standard, utilities and other energy suppliers will be required to procure and phase in new renewable power resources starting with 26.31% of the state's total electricity load in 2017 and growing. The Clean Energy Standard will be enforced by the State requiring utilities and other energy suppliers to obtain a targeted number of Renewable Energy Credits each year. These credits will be paid to renewable developers to help finance new renewable energy sources that will be added to the electric grid.

In addition, as part of the State’s continuing “Reforming the Energy Vision” program, new opportunities exist to combine renewable energy with storage, demand response and potential state and federal financial incentives. The combination of these incentives and the location of the retired Huntley site adjacent to National Grid’s substation may provide an opportunity for New York-based renewable energy development.

Respondents are encouraged to review the State’s Clean Energy Standard requirements, Renewable Energy Standard and Renewable Energy Credits processes.

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1 There is reason to believe that Huntley’s retirement has exacerbated an electric “transmission congestion” issue in the Western part of New York state. Under this concept, the loss of electricity coming into the state electric grid from Huntley contributes to electricity from the New York Power Authority’s Niagara Power Project becoming “trapped” in the western part of the state, and therefore is not available to maintain optimum flows from the Niagara Power Project, particularly during periods of peak demand, especially in eastern and downstate New York. The re-use of Huntley for electric generation could be a factor in this process.
Additional incentives may be available and potential respondents should be aware that under the Renewable Energy Standard, the New York State Energy Research and Development Authority (NYSERDA) issued a request for proposals for long-term agreements associated with renewable energy credits and electricity generated from renewable sources at eligible facilities that commenced operation after January 1, 2015. See https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Generators-and-Developers/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts.

4. Tonawanda Tomorrow

Potential respondents should take note that following Huntley’s closure, the Town worked with a coalition of community partners to study the future of the Town, as well as the River Road corridor, with a special focus on the potential redevelopment of the Huntley site. That process was called “Tonawanda Tomorrow,” and it resulted in an economic development action plan for the Town. Proposals that correspond with the aims and goals of Tonawanda Tomorrow are especially welcomed and encouraged.


5. Activities

As envisioned, the main activities of the EOI process and outcome may be the construction or installation of a clean energy facility at Huntley, but also as part of a potential community energy solution program.

Below are illustrative potential services or items which could be considered at the Huntley site:

- Construction of a Clean Energy project designed to optimize the Huntley footprint.
- Installation of a renewable energy system (such as solar or water) that will take advantage of existing infrastructure at/near Huntley.
- Use of advanced technology such as battery storage technology combined with optimum solar generation.
- Use of advanced technology considered renewable under the Clean Energy Standard. All renewable energy proposals including regional approaches that employ local or regional renewable fuel sources are encouraged.
- Use of demand response and energy efficiency programs.
- Provision of ancillary services to the local utility distribution system to assist in addressing system balancing issues.
- Provision of training on the operation and maintenance of the renewable energy systems.

Proposals that provide consideration for coordination with local labor groups that represent displaced local energy employees from Huntley are encouraged, as well as proposals that show commitment to hiring from the local workforce and sourcing from local vendors. In addition, to the extent practicable, inclusion of local educational institutions to utilize the site as a learning lab in curriculum that includes renewable energy systems will be considered.

Proposals that consider coordination with ongoing efforts to advance the Niagara River Greenway mission to provide greater public access and recreation to the Niagara River corridor are welcomed. See http://www.niagaragreenway.org/ for more information.
Any proposals that include biomass should address growing opportunities for local farmers through contingent long-term purchase agreements and acre per MW of power generation opportunities for local agribusiness. Projects that generate electricity via the use of the Niagara River current are welcomed. Combined heat and power projects are also welcome with a description of potential steam benefits to local business and communities.

Respondents may be asked to assess the potential for “off-take” by departments of the Town of Tonawanda government for their electricity needs to reduce both the Town municipal government’s carbon footprint and its operating costs.

6. Overall Timeframe

The work outlined in this EOI is contingent on submitted proposals and coordination with Huntley Power, who retains control and ownership of the Huntley site.

The response should contain, but need not be limited to the following:
- Overall experience of the organization in the area of and sustainable energy, both construction, operation and maintenance.
- Financial viability support and rationale for project development.
- Biographical information on the principals to be involved in a potential redevelopment project.

7. Submission Requirements and Guidelines

EOIs must be delivered in electronic format no later than close of business on January 10, 2018 to Timothy Callan, Community Development Coordinator, Town of Tonawanda, at tcallan@tonawanda.ny.us. For questions concerning this EOI, contact Dr. Callan via email.

Evaluations received on or before the deadline will be evaluated and respondents who are deemed qualified will be shortlisted and contacted by the Town of Tonawanda in a timeframe to be determined. The shortlisted potential implementing partners may subsequently receive a final solicitation document for the submission of full proposals.

8. Other

For the purposes of redeveloping the Huntley site, the Town is examining partnering with a 501(c)(3) entity/organization or a local development corporation to be named in the future. That entity could partner with respondents in a venture to be developed at the Huntley site.

The yet to be determined entity could be a New York not-for-profit corporation that among other goals, would be created to advance renewable energy, support employment in the “green economy” (renewable energy, energy efficiency, sustainable construction practices) and plan, coordinate, and implement training programs in coordination with strategic partners in education, economic and workforce development.

The Town seeks to work with private parties to re-envision Huntley to promote the best use of its waterfront and the site. This EOI does not reflect a procurement offer by the Town nor is the Town bound to contract with any parties or accept any liability by the issuance of this EOI.
This EOI notice does not constitute a solicitation. The Town reserves the right to change or cancel this requirement at any time. Following a review of responses to this EOI, the Town and its partner(s) will evaluate and create a solicitation document.

Submitting a response to the EOI does not guarantee that a respondent will be considered for receipt of a solicitation when issued by the Town and only entities that are deemed qualified upon completion of an evaluation will receive a solicitation document.