

BULK POWER ENERGY STORAGE PROCUREMENT OF SCHEDULING AND DISPATCH RIGHTS – REQUEST FOR PROPOSAL

National Grid

September 30, 2019

APPENDIX C4 - PERMITTING OVERVIEW

Bidders are solely responsible for: (1) ascertaining the requirements and needed approvals to construct and operate an energy storage project (“Project”) on the Site; (2) interfacing with the municipality, making all required applications, and obtaining all required municipal approvals; and (3) complying with all municipal requirements and permits. Bidder must include a permitting plan and cost estimates related to these activities as part of the Project’s all-in costs. Bidders are responsible for all costs associated with the above-referenced approvals and are responsible for compliance, mitigation measures, and/or other conditions of approval. Bidders should provide these costs as part of their RFP response.

PERMITTING QUALIFICATIONS

As energy storage for the bulk grid is a relatively new development,¹ there can be permitting challenges in siting energy storage technologies. Concerns raised by local municipalities relative to energy storage systems may include, but are not limited to, safety, noise, visual impact, thermal runaway, etc.. The Bidder’s permitting expertise will be important in securing the necessary municipal approvals to proceed. For National Grid to properly gauge the Bidder’s permitting qualifications, please provide the following information (indicate if a question is not applicable but do not leave any required responses blank):

1. List of construction projects permitted in New York State. Energy storage project examples are preferred (please briefly describe the proposed use, the permitting timeline, any challenges faced and associated mitigations);
2. List of energy storage/public utility use projects successfully permitted either in or outside of New York State (please briefly describe the proposed use, the permitting timeline, any challenges faced and how they were overcome);
3. List of construction projects that faced community opposition (please briefly describe the proposed use, the permitting timeline, resolutions to the community’s opposition, and any challenges faced and how they were overcome);
4. List of public hearings related to construction projects presented at, either in or outside of New York State;
5. A sample list of experts typically brought to public hearings in anticipation of community opposition to an energy storage project;
6. A sample list of exhibits typically brought to public hearings in anticipation of community opposition to an energy storage project;
7. Briefly describe the general strategy for obtaining all necessary municipal approvals to construct an energy storage project; and

¹ With the exception of large, pumped-storage hydroelectric plants.

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8. Would an attorney, either in-house counsel or outside counsel, make any necessary presentations to the municipality? If so, please briefly describe the attorney's permitting qualifications.

SITE SELECTION

Please provide the following project information in the order requested. Indicate if a question is not applicable but do not leave required responses blank.

1. A detailed explanation for why the proposed Project Site is the first choice;
2. A list of other locations investigated and the reasons why other locations were dismissed;
3. A written analysis of the applicable Federal, State and/or local codes including, but not limited to building, electrical, site plan, zoning, dimensional (*i.e.*, setbacks, frontage requirements, etc.), fencing, noise, lighting, landscaping, and fire requirements applicable to the construction of the Project, identifying any/all approvals that the Bidder does not have but would be required to obtain to site and construct the Project or appurtenances as well as operate and maintain the Project or appurtenances for the Term of the Energy Storage Services Agreement ("ESSA");
4. A comprehensive table listing all applicable setbacks, frontage requirements, and fence requirements applicable due to local zoning, and whether the proposed Project location complies with same;
5. Confirm if the Site is located 500 feet or less from any municipal and/or county boundary, and if it abuts a state road, county road or town/village road;
6. Provide details to support a successful New York State Environmental Quality Review Act ("SEQRA") application;
7. Provide a current preliminary title report for the lands on which the Project and other appurtenances will be sited;
8. Provide any survey drawings completed for the Project required for the siting, construction, and operation and maintenance of the Project. Identify any surveys that have yet to be prepared but will be required for the Project and the current status.

PROJECT DETAILS

Insert a Site location map (or separate maps for clarity) containing the following information:

1. Property/lot lines of the Site;
2. Proposed location/orientation of the Project and its components on the Site, to include distances between system equipment and all Property lines, and existing buildings and structures on the Site;

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3. Location of the expected electrical interconnections and voltages for charging and discharging and, if applicable, fuel and water;
4. Surrounding public streets, fire apparatus access roads, pedestrian walkways, and the path one would take, from a public road, to access the Site;
5. All buildings and structures, both on the Site and within 100 feet of the Site’s property lines, identified by occupancy type;
6. Location of any environmental or wetland constraints found on the Site; and
7. Location and details (*i.e.*, height, type, etc.) of walls or fences proposed to surround the Site and/or the Project;
8. Indicate the type of energy storage technology being proposed: and
9. Insert a separate area map depicting the closest residential uses, spaces where members of the public congregate (*i.e.*, public parks, stores, etc.), schools, hospitals, airports, places of worship, cemeteries, or other expected sensitive locations within 500 feet of the Site.

REQUIRED PERMITTING DOCUMENTS

If Bidder’s proposal is chosen, please note, National Grid will require the Bidder to provide, at a minimum, the following upon completion of the construction of the Project:

1. Copies of all: (a) application documents submitted to the municipality in connection with the construction and operation of the Project; (b) correspondence between the Winning Bidder and municipality; (c) permits issued by municipality to Winning Bidder; (d) construction drawings/zoning drawings, stamped “Approved” by all relevant municipal agencies; (e) certificate of completion issued by all relevant municipal agencies, indicating that the Project was built in accordance with municipal code and approved construction drawings; and
2. Copies of all required UL certifications for the type of Project, including UL 973, UL 1741, UL 9540 and UL 9540A.

SUGGESTED LOCATIONS

National Grid will attend all public hearings in support of the Project, to the maximum extent practicable. If a National Grid representative cannot attend a public hearing, National Grid would be willing to provide the Winning Bidder a letter of support which can be read into the public hearing record.

RAQUETTE LAKE:

According to the current Town of Long Lake’s website, there may not be zoning regulations in the Hamlets of Long Lake and Raquette Lake applicable to the Project, but this is subject to change over time. Additionally, even if there are no zoning regulations, the Project would still need to comply with the NYS Building and Fire Codes. It shall remain the responsibility of the Bidder to determine the current status and reflect same in the Project proposal. Winning Bidders will need to revisit the assumptions in their Offers to confirm that there have been no changes or additional code requirements adopted.

Even if the Town has no zoning requirements, the Adirondack Park Agency, the New York State Department of Health, and the New York State Department of Environmental Conservation may have additional regulations and rules applicable to the Project.

MENANDS

A majority of the Menands “57” feeder (see Appendix E - Locations and Use Cases) is located in residential areas, which are not ideal locations for an energy storage project. However, as depicted in Figure 1 below, according to the current Town of Colonie’s (“Colonie” or “Town”) zoning map, a section of feeder “57” is located in the Town’s “Industrial” zoning district (represented by the dark blue overlay in the attachment). According to the Town’s Zoning and Land Use regulations, in the Industrial zoning district, “any use shall be permitted, except the following: 1) any use which produces radiation, 2) light, 3) smoke, and 4) fumes or odors of a noxious or harmful nature carrying beyond the limits of the premises.” If the current zoning requirements remain unchanged and the Town determines that the Project produces or may produce any of these conditions, the associated approval process could become more challenging (*i.e.*, a use variance could be required, etc.).

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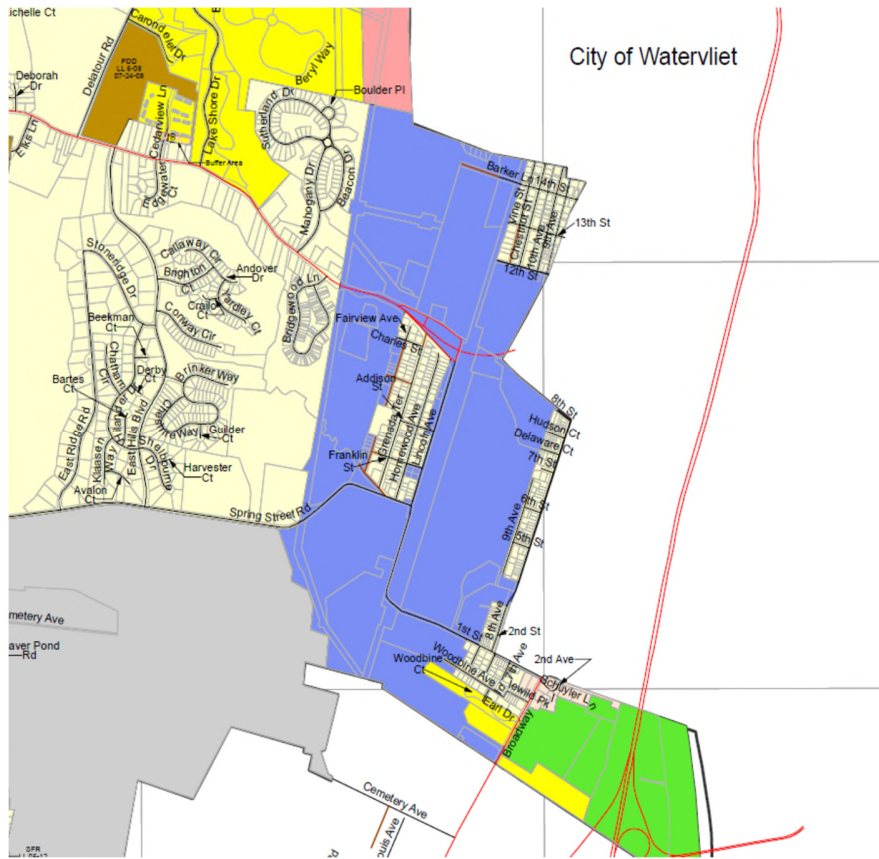


Figure 1 - Town of Colonie Zoning Map as of the date of this RFP

To increase the chance of the Project being deemed a permitted use, it would be advisable for the Bidder to take the following into consideration:

1. Locating the Project within the Town’s designated Industrial zoning district; and
2. Locating the Project at a sufficient distance from other property lines (especially residential property lines or properties where members of the public congregate) such that the storage use will not produce any of the above-referenced conditions “beyond the limits of the premises.”

The sites in Colonie that currently appear to meet both of these criteria in Colonie may include: (a) the parcels located north of Lincoln Avenue, west of the CSX train tracks; (b) the warehouses located south of Spring Street Road, west of Lincoln Avenue; and (c) the two industrial uses located on the south side of Watervliet Shaker Road, and east of Bridgewood Lane, although these two industrial uses may be a third choice due to the close proximity to residential uses to the west and east.

In addition, within the Town’s current Industrial zoning district, the following dimensional requirements must be complied with as shown in Table 1 below:

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Table 1 – Dimensional Requirements

Lot Area Minimum (square feet)	20,000
Lot Width and Frontage Minimum (feet)	100
Front Setback Minimum (feet)	50
Side Setback Minimum Each Side/Total of Two Sides (feet)	20/50
Rear Setback Minimum (feet)	15

North Lakeville

As outlined below, based upon a review of the current Town of Geneseo’s (“Town”) code (the “Town Code”), if proposing to construct the Project and associated equipment adjacent to the existing North Lakeville substation located at 3398 West Lake Road, Geneseo (the “Property”), it appears the following municipal approvals are required:

1. Special Use Permit from the Town Planning Board following a public hearing;
2. Storm Water Pollution Protection Plan (“SWPPP”) approval (if the disturbance is over one acre);
3. Site Plan approval (and negative SEQRA declaration) from the Town Planning Board following a public hearing;
4. Setback Variance from the Town’s Zoning Board of Appeals (may not be necessary if the Project complies with the Town’s setback requirements); and
5. Building Permit.

A meeting with Town officials to initially discuss the proposed Project before proceeding is recommended. In addition, the above-referenced approval list is subject to change (*e.g.*, the Town may adopt New York State’s model law regarding storage²).

Special Use Permit Approval

According to the current Town Zoning Map, the Property is located within the Town’s Rural Residential zoning district and as such, a public utility use appears to be a “specially permitted use” within the Rural Residential zoning district. Among other things, the Bidder will need to ascertain whether the proposed Project is appropriately classified as “utility use.”³

According to the current Town Code, the Planning Board will consider the following relevant considerations when reviewing a special use permit application:

1. Compatibility with adjacent uses;

² Available at

<https://www.nyseda.ny.gov/All%20Programs/Programs/Clean%20Energy%20Siting/Battery%20Energy%20Storage%20Guidebook>

³ Although the Project is to be used for utility purposes, the Project will be owned by a non-utility entity.

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2. Will not depreciate the value of adjacent property;
3. Will not create a hazard to the health, safety and general welfare of the public; and
4. Will not be a nuisance to neighboring uses.

Site Plan Approval

According to the current Town Code, the Planning Board’s review of a site plan shall include, but is not limited to, the following:

1. Relationship of structures to site;
2. Relationship of non-residential to residential uses;
3. Landscaping, buffering and site treatment;
4. Building design;
5. Lighting; and
6. Setbacks.

The Bidder should retain an environmental consultant to provide guidance and overall assistance in the permitting process.

Public Utility Specific Requirements (Subject to Further Investigation⁴)

In addition to the general considerations above, the current Town Code states that public utility installations are also required to compile with the following:

1. Such facility must be surrounded by a fence approved by the Planning Board;
2. The facility must be surrounded by landscaping approved by the Planning Board;
3. To the extent practicable, equipment shall be stored so as to not be visible from surrounding property or the public right of way; and
4. Any additional requirements to be put in place by the Planning Board during site plan review.

Compliance with Dimensional Requirements:

Within the Town’s rural residential zoning district, the current Town Code states that the following dimensional requirements are applicable and must be complied with as shown in Table 2 below:

Table 2 – Dimensional Requirements

Minimum Front Yard from Right of Way	70 feet
Minimum Side Yard	30 feet
Minimum Rear Yard	50 feet
Maximum Lot Coverage	35

⁴ Further investigation would need to be conducted as to whether the Project is appropriately classified as “utility use.”

To the extent these requirements cannot be met, the Bidder may need to request an area variance from the Town’s Zoning Board of Appeals. This could add time and complexity to the Town’s review.

In addition, according to the Town’s current noise ordinance, “sounds generated by a public utility⁵ in carrying out the operation of their franchise” are exempt from compliance with the noise code. However, as this site is located in a residential zoning district, the Bidder needs to be mindful of any noise created and strive to minimize if practicable.

However, page 90 of the current Town Code states “Alternative energy sources, such as solar panels or shingles, are encouraged and should be incorporated....” This could be an argument in support of the proposed Project.

DISCLAIMER:

The information above is provided for informational purposes only and is not legal advice or a legal opinion on any specific facts or circumstances. Because the law changes rapidly, National Grid cannot guarantee that the information herein is up-to-date, complete or correct. The Bidder should not rely on this information or its applicability to any specific circumstances without first speaking with Bidder’s own attorney or other professional advisors. Transmission of the information is not intended to create, and receipt does not constitute, an attorney-client relationship between the sender and receiver. National Grid disclaims all liability for actions the Bidder takes or fails to take based on any content above.

⁵ Further investigation would need to be conducted as to whether the storage project procured under this RFP can be classified as “utility use.”