

Attachment C
Sample Statement of Work
[Insert proposal title]
[Insert proposer name]

INTRODUCTION

[Insert a one to two paragraph introduction that includes, at a minimum, the following:

- A brief description of the product.
- A brief description of the facility and its location or the anticipated facility.
- A brief description of what will be done in this project.
- Expected outcomes from this project (product throughput, jobs, etc.)]

UNIT DEFINITION

A unit is defined as: [insert a description of the product that will be manufactured and sold; this definition will be used in reporting metrics in Subtask 2.1 and in determining the New York State value added per unit in the milestone payment schedule. If more than one unit is being manufactured, define each unit separately as Unit A, Unit B, etc.]

COST SHARING

It is understood and agreed that NYSERDA and the Contractor are sharing the costs for the project work to be performed and that the cost share identified in the Contractor's proposal and budget shall be readily available as described therein. NYSERDA reserves the right to reduce the amount of any milestone payment made in any reporting interval to an amount commensurate to the documented cost share incurred.

SCOPE OF SERVICES

Task 1: Project Management

Subtask 1.1: Project Management. The Contractor shall be responsible for meeting the project objectives and conforming to the project schedule and budget. The Contractor shall assign [name the project director] as Project Director. Regardless of subcontracting arrangements, the Contractor shall be solely responsible for the completion of the work and the successful outcome of the project. If projected resources from additional NYSERDA programs or from other outside participants are not forthcoming, the Contractor shall complete all project tasks and goals and to fund or find alternative funding for all tasks or initiatives required to successfully achieve the project's goals. The Contractor shall provide clearly defined objectives for the manufacturing plant upgrades including drawings and specifications to all sub-contractors, with approvals by NYSERDA expected during all phases of development.

Subtask 1.2: Project Meetings. The Contractor shall arrange and schedule several meetings with NYSERDA as the overall plan for the program is developed. These meetings shall include the following:

Project Kick-off Meeting. The Contractor shall schedule a kickoff meeting with NYSERDA. The Contractor shall coordinate with NYSERDA's Project Manager to schedule this meeting; provide an agenda 3 days in advance of each meeting, and follow with meeting minutes.

Phase 1 Meeting. Upon Completion of Phase 1, the Contractor shall schedule a review meeting with NYSERDA. The Contractor shall coordinate with NYSERDA’s Project Manager to schedule this meeting, provide an agenda and the Phase 1 Report at least three days in advance of the meeting, and follow-up with meeting minutes. The Contractor shall invite NYSERDA’s Project Manager and other identified representatives to review the Contractor’s performance and discuss areas for program modification and improvement.

Phase 2 Meeting. Upon Completion of Phase 2, the Contractor shall schedule a review meeting with NYSERDA. The Contractor shall coordinate with NYSERDA’s Project Manager to schedule this meeting, provide an agenda at least 3 days in advance of the meeting, and follow-up with meeting minutes. The Contractor shall invite NYSERDA’s Project Manager and other identified representatives to review the Contractor’s performance and discuss areas for program modification and improvement.

Final Meeting. At the conclusion of Phase 3, the Contractor shall schedule a final review meeting at NYSERDA’s Albany offices. The Contractor shall coordinate with NYSERDA’s Project Manager to schedule this meeting. The Contractor shall invite NYSERDA’s Project Manager and other identified representatives.

The following deliverables shall be provided under Task 1:

- Meeting agendas and minutes

Task 2: Reporting

The Contractor shall provide NYSERDA’s Project Manager with reports regarding program status and progress as described in this task. NYSERDA’s Project Manager shall be copied on all correspondence regarding the project that is relevant to the expenditure of NYSERDA funds.

Subtask 2.1: Project Manager Reports. If the Contractor encounters any conditions that could significantly affect elements of this project including, but not limited to, site location, schedule, facility design, financing, project personnel, project partners, scale of project, the Contractor shall notify NYSERDA’s Project Manager via e-mail within five working days. If necessary, the Contractor shall schedule follow-up meetings or telephone calls with NYSERDA’s Project Manager.

Subtask 2.2: Phase 1 Report. Upon completion of Phase 1, the Contractor shall submit a Phase 1 Report to NYSERDA’s Project Manager. The Contractor shall include a discussion of the progress of the Facility development and identify any changes from the planned design, equipment, or schedule. The Contractor shall also provide a forecast of the economic impact of the project for the remaining phases and use the format shown in Table 1, Metrics Reporting Schedule, to report and update actual economic impact values until project completion. Deliverables identified in Phase 1 will be included as attachments to the Phase I report. The Contractor shall provide a breakdown of Phase 1 project expenditures.

TABLE 1: Metrics Reporting Schedule

		Year 1	Year 2	Year 3	Through forecast period n*
Annual income paid to New York employees	Actual				
	Forecasted				
Annualized number of New York State jobs in full-time equivalents (FTE’s)	Actual				

	Forecasted				
No. of units sold	Actual				
	Forecasted				
Total capacity of units sold	Actual				
	Forecasted				
Total sales revenues	Actual				
	Forecasted				
Percent of sales in New York					

* The value (n) shall be defined as the completion date of the Agreement.

Subtask 2.3: Phase 2 Report. Upon completion of Phase 2, the Contractor shall submit a Phase 2 Report to NYSERDA’s Project Manager. The Contractor shall include a discussion of the progress of the Facility development and include a description of the production facility and a discussion of any problems and costs incurred. The Contractor shall discuss the status of attracting funding from various economic development agencies. The Contractor shall also provide actual figures and updated forecasts of the economic impact of the project for the remaining using the format shown in Table 1. The jobs estimate shall serve as the basis for the Milestone Payment Schedule, Phase 3. This report shall be submitted by the 15th day of the month following the end of Phase 2. The format of this report shall be determined during Phase I. Deliverables identified in Phase 2 will be included as attachments to the Phase I report. The Contractor shall provide a breakdown of Phase 2 project expenditures.

Subtask 2.4: Phase 3 Quarterly Reports. Throughout Phase 3, the Contractor shall submit quarterly progress reports to NYSERDA’s Project Manager that include project status in terms of production, any problems, and revenue/cost calculations including value-added. The Contractor shall also provide actual figures to date and updated/ adjusted forecasts of the economic impact of the project using the format shown in Table 1. These reports shall be submitted to NYSERDA’s Project Manager by the 15th day of the month following the reporting period. These reports shall include production data, including units manufactured, units sold in-state, units sold out of state, total revenue from sales, and total energy output associated with in-state sales. The Contractor shall also provide other metrics as required by individual milestones completed during that particular quarterly review period. The Contractor may submit invoices to coincide with these Phase 3 Quarterly Reports using the procedure described in Article 4 of this Agreement. The final Phase 3 Quarterly Report shall also include the Final Report as described in Subtask 2.3.

Subtask 2.5: Final Report. The Contractor shall submit a Final Report in accordance with Exhibit C of this Agreement to NYSERDA’s Project Manager that summarize the technical, production and economic impact information provided in previous reports. The Final Report shall be included as part of the final Phase 3 Quarterly Report (Subtask 2.3).

The following deliverables shall be provided under Task 2:

- Project Manager notifications if necessary
- Phase 1 Completion Report
- Phase 2 Completion Report
- Phase 3 Quarterly Reports
- Final Project Report

PHASE 1: SITE AND PROJECT ASSESSMENT AND CONTROL

[INCLUDE IF PHASE I ACTIVITIES HAVE NOT YET OCCURRED]

Task 3: Site Characterization and Assessment

Subtask 3.1: Facility and Site Characterization and Assessment. The Contractor shall specify physical requirements for the site, including site requirements, facility size, equipment needs, and utility access. Contractor shall complete an assessment of potential development sites and evaluate the potential sites against the physical needs identified.

Subtask 3.2: Economic Development Assessment. For potential sites, the Contractor shall complete an assessment of business factors that will help assure continued success of the manufacturing plant. The Contractor shall consider the availability of financial incentives, economic development programs, training programs, workforce potential, zoning, proximity to universities and colleges, and any other business factors deemed important to the success of the manufacturing plant.

The following deliverables shall be provided under Task 3 (to be included in the Phase 1 Completion Report):

- Facility Needs Assessment
- Summary of Economic Development Programs and Strategy to Seek Economic Development Assistance
- Summary Table of Candidate Sites and Physical and Business Advantages and Disadvantages of Each

Task 4: Financial Plan

The Contractor shall provide an update of its financial plan for the development of the manufacturing facility. The financial plan shall include, at a minimum, a 5-year pro-forma operating statement, a 5-year cash-flow analysis, and letter(s) of interest from financial institutions and/or equity investors. The Contractor shall further provide a detailed start-up cost analysis that includes equipment leasing and purchasing costs.

The following deliverables shall be provided under Task 4 (to be included in the Phase 1 Completion Report):

- Updated Financial Plan

Task 5: Site Selection and Control

The Contractor shall select the final site and shall negotiate and execute site agreements. Such agreements may be leases or purchases as appropriate to the project.

The following deliverables shall be provided under Task 5 (to be included in the Phase 1 Completion Report):

- Description of Selected Site
- Evidence of Site Control, Such as an Executed Lease or Purchase Agreement

Phase 2 Go/No Go Decision. Upon receipt of the Phase 1 Report, NYSERDA's Project Manager shall issue a written go/no go decision on commence work on Phase 2. Work on Phase 2 shall not be initiated prior to receiving written approval to proceed from NYSERDA's Project Manager.

PHASE 2: PROJECT DESIGN AND CONSTRUCTION

Task 6: Facility Design and Engineering

The Contractor shall work with appropriate subcontractors to designate site improvements, design the facility, and design the manufacturing line. The facility shall be designed to be capable of producing [insert criteria such as number of units or capacity]. The manufacturing line shall include the following major components or stations: [list major pieces of equipment, stations, or functions]. If architectural plans are required for permitting, the Contractor shall have architectural plans for the facility produced. The Contractor shall have final engineering and design plans for the facility and manufacturing line produced. Provide an explanation if the final plans differ significantly from those proposed.

The following deliverables shall be provided under Task 5:

- Summary Description or Diagrams of Plant and Site Layout
- List of Major Pieces of Equipment, Including Costs

Task 7: Permits and Approvals

The Contractor shall identify all necessary permits and develop a schedule for obtaining the permits. The Contractor shall obtain all applicable permits and regulatory approval required to develop the site and operate the facility.

The following deliverables shall be provided under Task 4:

- Evidence of Permits and Regulatory Approvals

Task 8: Facility Construction and Commissioning

Subtask 8.1: Construction Arrangements. The Contractor shall make all necessary financial and contractual arrangements to complete the development of the facility, including any construction and utility agreements, and ensure that the facility will be constructed on schedule and at budget. The Contractor shall make all arrangements for utility interconnection to the facility.

Subtask 8.2: Equipment Procurement. The Contractor shall locate and identify suitable equipment supply sources as required within the design parameters of the manufacturing facility. The Contractor shall further procure all required equipment, whether under a lease agreement or outright purchase, and organize its installation, testing, and inspection at the manufacturing facility.

Subtask 8.2: Site Improvements and Building Construction/Renovation. The Contractor shall arrange to have the facility constructed according to the plans.

Subtask 8.3: Equipment Installation and Testing. The Contractor shall have the equipment installed, optimized, and tested.

Subtask 8.4: Facility Completion. The Contractor shall commission the facility and obtain all necessary permits, occupancy approvals and sign-offs, and make all arrangements in order to occupy the manufacturing facility. The Contractor shall provide a Certificate of Insurance covering product liability as described in Section 11.02 (c) of this Agreement.

The following deliverables shall be provided under Task 8 (to be included in the Phase 2 Completion Report):

- Evidence of Equipment Delivery

- Confirmation of Project Completion and Commercial Operation
- Results of Factory Commissioning Tests and Inspections
- Copy of the Certificate of Occupancy
- Certificate of Insurance

Phase 3 Go/No Go Decision. Upon receipt of the Phase 2 Report, NYSERDA's Project Manager shall issue a written go/no go decision on commence work on Phase 3. Work on Phase 3 shall not be initiated prior to receiving written approval to proceed from NYSERDA's Project Manager.

PHASE 3: PROJECT COMMERCIAL OPERATION

Task 9: Facility Operation

The Contractor shall inform NYSERDA in writing regarding the official commencement of commercial operations for the manufacturing facility. The Contractor shall tabulate production and New York-content and report this data quarterly which will form the basis upon which NYSERDA performance incentive payments will be made. The Contractor shall make efforts to provide information requested by NYSERDA to verify production and value-added claims by the Proposer. This task shall continue until NYSERDA payments end.

The following deliverables shall be provided under Task 9:

- Written Notification of the Start of Sales and Commercial Operation of the Plant
- Quarterly Production Reports with Value-Added Data