

**QUESTIONS AND ANSWERS
RFP FOR RENEWABLE ENERGY PROJECTS
MAY 22, 2013**

| | Question | Answer |
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| 14. | <p>We have a development project that includes redevelopment of an existing mixed-use commercial building and a four-unit townhome multi-family facility. Both buildings will have closed-loop geothermal systems. Can we submit a single application for both buildings?</p> | <p>Yes.</p> |
| 15. | <p>A) Please clarify section II. E. c.</p> <p>What specifically is expected in this section vs section b.? What is meant by modeled (vs nameplate) gross and net capacities in the case of a boiler? (It is clear what is meant by estimated annual energy production.)</p> <p>B) Please clarify section II. E. d.</p> <p>We interpret this to be a request for:</p> <ul style="list-style-type: none"> • one year of the facility's daily loads (365 points) plotted as a curve in a chart • one year of the facility's monthly loads (12 points) plotted as a curve in a chart • one total load number for the entire year (a curve is therefore impossible) <p>Please correct or confirm.</p> | <p>A) In the case of a biomass boiler, for section II. E.b. it is only necessary to provide the nameplate capacity of the boiler in Btu's per hour. For section II.E.c. please provide estimated annual production in MMBtu's.</p> <p>B) This section requires the following:</p> <p>A <u>daily load curve</u> showing projected energy production on an hourly basis for a single 24 hour period (24 data points). A <u>monthly load curve</u> showing projected energy production on a daily basis for one month (30 data points). An <u>annual load curve</u> showing projected monthly production for a period of 12 months (12 data points).</p> <p>C) Please provide the levelized cost of all Btu's to be produced by the full boiler system.</p> <p>D) Applicants should choose a discount rate appropriate to their project assumptions and generally accepted financial models.</p> |

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| | <p>C) Our project includes a full boiler plant installation, including biomass boilers plus a peaking/backup propane boiler that is integral to the system. For the levelized cost of BTUs (Section II. F. d.), is the PUC looking for the cost of all BTUs produced by the system or just those produced by renewable energy?</p> <p>D) What discount rate should be used for Sections II. F. d. and II. F. e. ?</p> | |
| 16. | <p>We are planning on construction of a biomass plant to replace traditional oil fired boilers. I see that the costs incurred prior to the final approval by Governor's Exec. Council are not eligible for reimbursement. Would costs incurred that are part of the total project cost that are incurred before approval be considered as part of our investment in the project? Or can we not have started the project at all prior to application for grant funding and Governor and Executive Council approval?</p> | <p>While it is not common practice to have started a renewable energy project prior to submitting a grant proposal, project costs incurred prior to filing a grant proposal can be submitted to demonstrate cost share by the applicant.</p> |
| 17. | <p>a) Would a hydroelectric facility that is presumed ineligible under Class I (i) because it is not currently licensed or exempted by the FERC, nonetheless be able to qualify as a Class I (j) "class [...] IV source [based on new] capital investment directly related to restoring generation"?</p> <p>IF the answer to a) is YES,</p> <p>b) Would new hydroelectric generating facilities installed at</p> | <p>A) No. To be eligible under Class I(j), the hydro facility must first be eligible as a Class IV facility. Because the facility is not licensed or exempt from licensing by FERC, the facility is not a Class IV eligible facility.</p> <p>B) N/A.</p> <p>C) N/A.</p> |

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| | <p>diversions that were originally created prior to January 1, 2006 for mechanical power rather than electrical generation be eligible?</p> <p>c) Could the applicable Section 401 state water quality certification be obtained as part of obtaining a FERC license or exemption, within the 2-year period established for completion of funded projects?</p> | |
| 18. | <p>Our company is very much interested in the above mentioned project. Can you please let us know from where to download the RFP package?</p> | <p>Just click on this hyperlink to download the RFP, or go to http://www.puc.nh.gov/Home/requestforproposal.htm</p> |
| 19. | <p>Our electricity is supplied by Littleton Electric Light and Water department. Are we eligible to apply for a new biomass thermal heating system?</p> | <p>Yes.</p> |
| 20. | <p>The RFP states, in Section V, that "The Commission reserves the right...to make funding decisions, including partial awards". Does this mean that an amount less than \$100,000 can be applied for?</p> | <p>No, it does not mean that an amount less than \$100,000 can be applied for.</p> |