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STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION  
21 S. Fruit St., Suite 10  
Concord, N.H. 03301-2429

TDD Access: Relay NH  
1-800-735-2964

Tel. (603) 271-2431

FAX No. 271-3878

Website:  
[www.puc.nh.gov](http://www.puc.nh.gov)

**REQUEST FOR PROPOSALS  
RFP #2014-003**

**Issued August 21, 2014**

**RENEWABLE ENERGY FUND**

**Grants for renewable energy generation projects in the commercial  
and industrial (non-residential) sector**

The New Hampshire Public Utilities Commission (PUC or Commission) is seeking proposals for funding of thermal renewable or electric renewable energy projects located in New Hampshire. Projects or portions of projects that are eligible to apply for a rebate under the Commission's [commercial and industrial \(C&I\) solar rebate program](#), or the [C & I wood pellet central heating system rebate program](#), are not eligible for funding under this solicitation. Total funding available under this RFP will likely be in the range of \$2 million to \$3 million. Applications are due September 19, 2014. The minimum grant amount is \$150,000; there is no maximum amount.

**Proposal Submissions:**

1. Bidders may submit written inquiries about this RFP by e-mail to: [RFP@puc.nh.gov](mailto:RFP@puc.nh.gov) no later than September 5, 2014. No phone calls, please. Inquiries and responses will be posted on the Commission's website. Please note that answers to questions are carefully considered and may require several days before they are posted. It is highly recommended that applicants review the RFP as soon as possible to allow the Commission time to answer questions and to allow the applicant time to complete the proposal.
2. Proposals must be received by the PUC prior to 4:30 p.m. on September 19, 2014. Proposals must be submitted to:

Lynn Fabrizio, Director of Administration  
New Hampshire Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, NH 03301-2429

3. One original signed paper copy, four additional paper copies, and an electronic copy of the proposal must be filed by the deadline. The electronic copy must be in PDF (portable document file) format and filed on a CD or USB drive with the paper copies. Proposals sent by fax or e-mail will not be accepted.

## I. Background and Purpose

### A. Background

The New Hampshire Public Utilities Commission is an executive branch agency with various responsibilities, among them administration of the state's Renewable Portfolio Standard (RPS) program, pursuant to RSA 362-F, and management of the state's Renewable Energy Fund<sup>1</sup> (REF), pursuant to RSA 362-F:10. The purpose of the REF is to support thermal and electric renewable energy initiatives in New Hampshire. Administrative rules, specifically Puc 2507, which can be found at [www.puc.nh.gov/Regulatory/Rules/Puc2500.pdf](http://www.puc.nh.gov/Regulatory/Rules/Puc2500.pdf), also govern the administration of the REF.

Enacted in 2007, the RPS law requires electricity suppliers to obtain a portion of their electricity from renewable energy sources. Renewable energy requirements are spread across four classes of renewable energy. Eligible technologies for the four classes are set forth in [RSA 362-F:4](#). Legislation enacted in 2012, SB 218, added a Class I subclass for useful thermal renewable energy. "Useful thermal energy" is defined in RSA 362-F:2, XV-a as follows:

"Useful thermal energy" means renewable energy delivered from class I sources that can be metered and is delivered in New Hampshire to an end user in the form of direct heat, steam, hot water or other thermal form that is used for heating, cooling, humidity control, process use or other valid thermal end use energy requirements and for which fuel or electricity would otherwise be consumed.

Eligible thermal technologies are limited to solar thermal, biomass thermal, and ground source heat pumps.

The Commission currently has two commercial and industrial (C& I) renewable energy incentive programs and three residential renewable energy rebate programs. Any project that is eligible for funding under either or both of the C & I rebate programs is not eligible for funding under this solicitation. For more details on the existing rebate programs, visit [www.puc.nh.gov/Sustainable%20Energy/RenewableEnergyRebates.html](http://www.puc.nh.gov/Sustainable%20Energy/RenewableEnergyRebates.html)

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<sup>1</sup> The REF is funded through Alternative Compliance Payments (ACPs) made by the distribution utilities and competitive electric suppliers in the absence of Renewable Energy Credits (RECs) available in the market, for sale, at a price that is equal to or less than the ACPs. The price of ACPs is set each year, pursuant to RSA 362-F:10, II and III.

Total funding available under this RFP is estimated to be in the range of \$2 million to \$3 million. The minimum grant amount is \$150,000; there is no maximum amount.

All grant awards are contingent on approval by the Executive Council.

## **B. Purpose**

One of the main purposes of the REF is to use Alternative Compliance Payment (ACP) revenue from the RPS law to encourage investment in renewable energy projects that will in turn generate new Renewable Energy Certificates (RECs). Investing in renewable energy projects increases REC supplies and drives REC prices down. This lowers electricity suppliers' RPS compliance costs, resulting in lower costs for ratepayers. Targeting REF funds to projects that increase the supply of RECs helps the State achieve its renewable energy goals at lower costs.

The Commission is seeking proposals from qualified individuals, entities or multiple entities to support electrical and thermal renewable energy projects in New Hampshire's commercial and industrial (non-residential) sector that will result in the creation of a substantial amount of RECs. The Commission seeks renewable energy projects that will result in the production of electrical or thermal RECs, or both. Renewable energy is defined in paragraph C. 1. below. Projects eligible for the existing [C&I solar rebate program](#) or the [C & I wood pellet rebate program](#) are not eligible for funding under this RFP. Note that if your proposal includes multiple locations, any location that by itself would be eligible for one of the rebate programs administered by the Commission is not eligible for a grant under this RFP.

## **C. Basic Project Eligibility Requirements**

To be eligible for funding, projects must meet the following minimum requirements:

1. Applicants must propose new investments in eligible renewable energy projects that will result in the production of electric or thermal RECs or both. Renewable energy includes electricity generated from wind, ocean thermal, wave, current, tidal, hydrogen derived from biomass fuels or methane gas, biomass, hydroelectric, and solar electric technologies or useful thermal energy produced from geothermal ground source heat pumps, biomass, and solar thermal technologies.
2. Projects must utilize grant funds primarily for capital investments<sup>2</sup> in new, REC-eligible renewable energy facilities, upgrades to existing facilities to increase REC production, or upgrades to existing renewable energy facilities that will qualify them as eligible for RECs.
3. Projects must be in the non-residential sector<sup>3</sup> in New Hampshire. Projects must be at commercial, industrial, public, non-profit, municipal, or school facilities, and

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<sup>2</sup> Labor costs, engineering costs, design, permitting, and legal costs that are associated with, and incurred in conjunction with a capital investment also qualify as reimbursable costs through this solicitation.

<sup>3</sup> Note that "non-residential projects" may include multi-family buildings with 3 or more units.

may include multi-family buildings of three units or more. Residential projects are not otherwise eligible.

4. Projects must be completed within 2 years of award.
5. Grantees must commit to submitting an application for the project for REC eligibility in New Hampshire.
6. Projects or portions of projects eligible for the existing C&I solar rebate program or the existing C&I wood pellet rebate program are not eligible for funding under this RFP.
7. Projects must be physically located in New Hampshire.
8. Reimbursement to grantees under this program is on a cost reimbursable basis, unless approved otherwise. Costs incurred prior to final grant agreement approval by the Executive Council are not eligible for reimbursement. In accordance with the terms of the grant, a grantee is required to submit requests for reimbursements along with the supporting documentation of the paid expenditure. The Commission will withhold a percentage of the grant until completion of the project.

## II. Proposal Submission Requirements

The overall proposal emphasis should be on completeness and clarity of content.

**Applicants are strongly encouraged to print or copy their proposals double-sided and stapled in the upper left hand corner.** The strongly preferred font size is 12 point with 1" page margins. Page numbers are required. Proposals shall include the following:

- A. Letter of Transmittal** (1 page, including name of project, and contact information for and signature of project lead and contact information for the person who has the authority to enter into a binding agreement)
- B. Project Summary Sheet** (1 page) Please use the form provided in Attachment A.
- C. Technical Project Proposal** (no more than 5 pages, not including site photos, maps, system schematics and letters of support)
  1. Overview of project, project site (including site photos), technology employed, generating facility features (including a system schematic), and proposed operation date.
  2. Description of the project site's resource availability (i.e., wind resource, shading and orientation losses for solar projects, biomass availability).
  3. Project timeline, including start date, key milestones in project progress (design, permitting, construction, start-up, commissioning), and expected completion (project is operational) date.
  4. List of permits and approvals required and status of such approvals.
  5. Project ownership structure, including names of all project owners and project location ownership and/or leasing structure.
  6. Assignment and roles of individual key project personnel.

7. Estimate of work to be performed in house and by sub-contractors with potential sub-contractors identified or a timeline and a description of the process to identify them.
8. Description of operation and maintenance plan for after the system has become operational, including estimated project lifespan.
9. Letters of support from the community or municipality, board of directors and other key community entities. (Please provide as an attachment.)

**D. Renewable Energy Generation and Capacity** (1 page, not including modeling results)

1. Projected kilowatt hours (or Btus where applicable) generated (annual and lifetime) and the assumptions (e.g., capacity factor) for the estimate.
2. Power capacity in kW (AC and DC) or Btu/hr heat input (or kW equivalent) (nameplate, gross and net capacities).
3. For solar thermal and photovoltaic projects, please include energy modeling that shows ideal generation and generation taking into account orientation and energy losses.
4. For biomass sources, estimated annual fuel consumption (in tons/year for solid biomass and gallons/year for liquid biomass)
5. Projected increase in annual supply of New Hampshire renewable energy credits (RECs), by New Hampshire renewable portfolio standard class (Class I, Class I thermal subclass, Class II, Class III, or Class IV), resulting from the project.
6. A statement verifying that the grantee will submit an application for the project to be certified as REC eligible in New Hampshire.

**E. Project Cost and Financing** (no more than 3 pages, not including the printout of the levelized cost of energy (LCOE) calculation and assumptions)

1. Total project cost estimate, itemized for equipment, labor, design, permitting, balance of system costs, etc. and any specific quotations from vendors.
2. The project's financing plan, description of financing status, and letters of intent/commitment from 3<sup>rd</sup> party financiers or board of directors or company management, if applicable.
3. Description of all other financial resources, including grants, rebates, tax credits, etc.
4. The annual and lifetime energy cost savings.
5. Simple LCOE (kWh or thermal equivalent produced) estimated using the National Renewable Energy Laboratory (NREL) calculator at [http://www.nrel.gov/analysis/tech\\_lcoe.html](http://www.nrel.gov/analysis/tech_lcoe.html). Please use project specific assumptions except for the following:
  - For the life of the project, assume 20 years.
  - For the discount rate, assume 10%.
  - For the electricity price, use 0.
  - For the cost escalation rate assume 0%.

A copy of the NREL LCOE worksheet shall be included as an attachment to the proposal.

**F. New Hampshire Benefits** (no more than 2 pages)

1. Economic Development
  - i. Direct jobs created in New Hampshire during the construction of the project;
  - ii. Direct jobs created in New Hampshire for the long term (i.e., beyond the construction and development phase) related to the project;
2. Societal Benefits
  - i. Description of an educational component to the project, if one will exist upon completion.
  - ii. Replicability of the project in the future for other New Hampshire entities (e.g., a unique financing scheme that others could use, etc.)
  - iii. A description of any energy efficient measures implemented by the end-users within the last five years and the costs of such measures.
  - iv. Other benefits to New Hampshire.

**G. Environmental Benefits** (no more than 1 page)

1. Type and annual usage of fossil-fuel or other energy source displaced and reduced (usage presented in gallons of oil, gasoline, kerosene or propane; cubic feet of natural gas; kWh of electricity)
2. Tons of CO<sub>2</sub> emissions avoided and/or reduced annually. Use the emission rates specified in Table 1. For example, if 150,000 gallons of No. 2 fuel oil (distillate oil) will be displaced by the proposed project, then 1,691 tons of CO<sub>2</sub> will be reduced. (150,000 gallons x 22.54 lbs CO<sub>2</sub>/gallon ÷ 2000 lbs/ton = 1,691 tons of CO<sub>2</sub>.)

Fuel/Energy Displaced	Units	CO <sub>2</sub> Emission Rate
Electricity	lbs CO <sub>2</sub> /kWh	0.719
Distillate Oil (#1,#2, #4)	lbs CO <sub>2</sub> /gallon	22.54
Gasoline	lbs CO <sub>2</sub> /gallon	20.41
Natural Gas	lbs CO <sub>2</sub> /cf	0.119
Propane	lbs CO <sub>2</sub> /gallon	13.07
Residual Oil (#5 & #6)	lbs CO <sub>2</sub> /gallon	26.10
Kerosene	lbs CO <sub>2</sub> /gallon	21.47

**H. Qualifications and Experience** (no more than 3 pages, not including resumes)

1. Provide a 1-2 page summary of the qualifications, experience, and roles of the project team. As a separate attachment appended to your proposal, provide resumes of key personnel, including sub-contractors, if applicable. Resumes do not count toward the page limit, but should be limited to relevant experience.
2. Summaries of similar projects undertaken by key personnel (date of project installation, summary of project, client name, name and phone number of contact for reference).

## I. Conflicts of Interest

Describe any potential conflicts of interest on the part of the project team or its sub-contractors.

## III. Proposal Selection Process and Criteria

The Commission will evaluate all proposals received based upon completeness, clarity, and quality of the proposal, how well the project meets the goals of RSA 362-F and the Renewable Energy Fund, reasonableness of cost, the qualifications of the project team, and the likelihood of project completion. Proposals not meeting the basic project eligibility requirements above as well as the following application requirements will be deemed ineligible:

- Filing of a timely and complete application;
- Identification of potential contractors or subcontractors, if applicable, or the detailed process and timeline to identify them;
- Listing of key project milestones and the associated timeline; and
- Identification of matching funding sources and letters of intent or commitment.

All projects will be considered based upon the following specific evaluation criteria.

### A. Grant \$/REC

The Commission will evaluate the proposal based on the amount of grant dollars per total amount of RECs estimated to be produced over ten years. The lower the Grant \$/REC, the higher the score as shown in Table 2.

Grant \$/REC	Score
>\$250	5
\$151 to \$250	15
\$101 to \$150	25
<\$100	45

### B. Levelized Cost of Energy (LCOE)

The Commission will evaluate financials of the project based on the levelized cost of energy using the NREL calculator. As shown in Table 3, the lower the LCOE, the higher the score.

Table 3	
LCOE (\$/kWh)	Score
>\$0.350	4
\$0.301 to \$0.350	8
\$0.251 to \$0.300	12
\$0.200 to \$0.250	16
<\$0.200	20

### C. New Hampshire Benefits

The Commission will evaluate the proposal for the benefits to New Hampshire as shown in Table 4.

Table 4	
NH Benefit	Score
Reuse of brownfields	1
Other similar projects can be rolled out in NH	1
Energy cost savings to governmental entity	1
NH Jobs - Short Term For 1 to 5 jobs, a score of 1; For 6 to 10 jobs, a score of 2; For more than 10 jobs, a score of 3.	3
NH Jobs – Long Term For 1 to 5 jobs, a score of 1; For 6 to 10 jobs, a score of 2; For more than 10 jobs, a score of 3.	3
Energy efficiency measures by end-users	1
Educational component	1
New or emerging technology	1
Other NH benefits	3
<b>Maximum</b>	<b>15</b>

### D. Project Readiness and Community Support

The Commission will evaluate the proposal based on the project readiness and community support based on the criteria in Table 5.

Table 5	
Project Readiness and Community Support	Score
Project funding described and secured. Letters of intent provided.	4
Detailed application with completed feasibility studies, timelines, major tasks identified, major equipment specified and quotations provided.	4
Similar projects completed by this developer.	1
Permits and approvals secured.	4
Community/Municipality/Company support obtained.	2
<b>Maximum</b>	<b>15</b>

### E. Matching Funds

The Commission will evaluate the proposal based on other sources of funding and the leveraging of the grant with other funds as shown in Table 6.

Table 6	
Matching Funds	Score
<b>Other Funding Source</b>	
Federal	1
State (Other than NH PUC)	1
Community (e.g., City, County, etc.)	2
Other (Private)	1
<b>Matching %</b>	
0 to 20%	2
21% to 40%	4
41% to 60%	6
61% to 80%	8
>80%	10
<b>Maximum</b>	<b>15</b>

### F. Environmental Benefits

The Commission will evaluate the proposal based on the environment benefits as measured by annual CO<sub>2</sub> emissions reduced or displaced from the project as shown in Table 7.

Table 7	
CO <sub>2</sub> Emissions Reduced Annually (tons)	Score
0 to 300	1
301 to 600	2
601 to 1200	4
1201 to 1800	6
1800 to 5000	8
5001 to 10,000	9
>10,001	10

### G. Regulatory Evaluation Criteria

The above factors in Sections A through F encompass the evaluation criteria outlined in Puc 2507.03(b) *Renewable Energy Initiatives*:

1. The extent to which the project is likely to expand or support the REC production capacity of renewable energy facilities located in New Hampshire
2. The extent to which the project is likely to be cost-effective, including use of grant funds;
3. The extent to which the project promotes market transformation, innovation, and energy cost savings;
4. The extent to which the project will reduce New Hampshire's peak electric load as well as defer or eliminate local utility distribution plant expenditures;
5. The economic development potential of the project;
6. The environmental benefits for New Hampshire;
7. The ability of the project to increase the end-use fuel diversity in New Hampshire;
8. The applicant's capacity to successfully complete the project; and
9. The significance of the proposed assistance of the REF in the viability of the project.

Pursuant to Puc 2507.03(c) the Commission will fund those initiatives that it finds are:

1. Substantially consistent with the factors set forth above;
2. Realistically proposed and achievable by the applicant; and
3. Most likely, on balance, to advance the purposes of RSA 362-F, within the constraint of available funds.

Proposals will be reviewed and evaluated by an Evaluation Team, which will consist of Commission staff and other state agency staff, using a four-step process, as listed below:

Step 1: Assess completeness and responsiveness of proposals.

Step 2: Score conforming proposals and conduct interviews, as needed. (See Attachment B for an example of the scoring sheet).

Step 3: Submit recommendations to Commissioners; Commission selection of awardees.

Step 4: Submit grant agreements to Governor and Executive Council for approval.

#### **IV. General Conditions**

- A. The Commission reserves the right to reject any or all proposals, or any part thereof, to determine what constitutes a conforming proposal, to waive irregularities that it considers nonmaterial to the proposal, to make funding decisions, including partial awards, solely as it deems to be in the best interest of the State, and to negotiate with any party in any manner deemed necessary to best serve the interests of the State.
- B. The Commission reserves the right to request additional information from any or all parties submitting proposals to assist in its evaluation process.
- C. All information relating to this proposal (including but not limited to fees, contracts, agreements and costs) are subject to the laws of New Hampshire regarding public information. RSA 21-I:13-a, II provides that “No information shall be available to the public, the members of the general court or its staff, notwithstanding the provisions of RSA 91-A:4, concerning specific invitations to bid or other proposals for public bids, from the time the invitation or proposal is made public until the bid is actually awarded, in order to protect the integrity of the public bidding process.” If any applicant asserts that any portion of its application is exempt from public disclosure as “confidential, commercial, or financial information” pursuant to RSA 91-A:5, after funding decisions are made, it should provide support for such claim as part of the application, explaining what measures the applicant has taken to keep such information confidential and the privacy or competitive business interest that would be harmed if such information were to be publicly released. The Commission would then determine, if needed, whether such information qualifies under the law (RSA 91-A) for exemption from public disclosure.
- D. The Commission shall not be responsible for any costs incurred by any party in preparation of any proposal submitted in response to this RFP.
- E. All parties submitting proposals shall be Equal Opportunity Employers. Funding recipients will be expected to comply with all federal, state, and local laws respecting non-discrimination in employment.
- F. The Commission reserves the right to amend or cancel this RFP at any time if the best interest of the State requires such action. Applicants should check the Commission website at <http://www.puc.nh.gov/Sustainable%20Energy/RFPs.htm> for any addenda to this RFP before filing their proposals.

- G. Recipients of funds will be required to submit their Taxpayer Identification Number (TIN) or Social Security Number (SSN).
- H. The terms and conditions set forth in the State's "General Provisions" for grant agreements, attached hereto as Attachment C, will apply to the funding agreement to be entered into with grant recipients. In addition, each agreement will be supplemented by three exhibits. Exhibit A will set forth in detail the Scope of Services. Exhibit B will set forth the amount of the grant, and schedule and conditions of payments. Exhibit C will include any special provisions including any modifications to the General Provisions.
- I. If an applicant's proposal is selected, any subsequent material changes or modifications to the overall program budget or key program personnel must be submitted for approval.
- J. This program is not an offer. Neither the State nor this program shall create any commitment on the part of the State or confer any rights on the part of the applicant unless and until a binding written award agreement is executed between the Commission and the Applicant.
- K. There will be reporting and inspection requirements for the projects that are awarded grants under this solicitation. These may include, but are not limited to the reporting of expenditures and annual energy production for up to ten years after the project becomes operational. Pursuant to Puc 2507.05 any recipient of any monies disbursed from the renewable energy fund shall make its books, records and facilities available to the Commission for the purpose of allowing the Commission to discharge its audit responsibilities pursuant to RSA 362-F:10, I.

## V. GRANT AGREEMENT AND CERTIFICATES

Successful applicants will be expected to enter into a grant agreement with State of New Hampshire. A copy of the General Provisions of the agreement to be signed by the parties can be found in Attachment C and at <http://www.puc.nh.gov/Sustainable%20Energy/RFPs/2011%20C&I%20RFP/Grant%20Agreement%20Form-General%20Provisions.pdf>.

**Applicants will be required to fill in this form only upon approval of the proposal by the Commission.**

Successful applicants will also be required to provide the following certificates prior to entering into a contract or grant agreement:

Secretary of State's Office Certificate of Good Standing ("CGS")	Individuals contracting in their own name do not need a CGS. Business entities and trade names need a CGS, except for nonresident nonprofit corporations
Certificate of Vote /Authority ("CVA")	Individuals contracting in their own name do not need a CVA. Business entities and trade names need a CVA.
Certificate of Insurance	Certificate of Insurance form attached with insurance coverage required under the contract. Modifications of insurance coverage required will be specified in the contract.
Workers' Compensation	Contractor must demonstrate compliance with or exception from RSA 281-A (and if applicable, RSA 228:4-b and RSA 21-I:80, and any other applicable laws or rules).

**Applicants will be required to provide these certificates only upon approval of the proposal by the Commission.**

**Attachment A. PROJECT SUMMARY SHEET**

*Please fill in the Project Summary Sheet and insert directly following the letter of transmittal in your final proposal submission.*

<b>Project Summary Sheet</b>		
<b>Project Name:</b>		
<b>Project Team (name, role):</b>		
<b>Name, phone number and email address of person authorized to enter into binding grant agreement and project contact (if different)</b>		
<b>Project Location:</b>		
<b>Technology Employed:</b>		
<b>Brief Project Description:</b>		
<b>Capacity and Energy Production:</b>	(kilowatts or Btus)	(kWh/year or Btus/year)
<b>Total Project Cost (\$):</b>		
<b>Total Funding Requested under this RFP (\$):</b>		
<b>Levelized Cost of Energy (\$/kWh)</b>		
<b>Economic Development Benefits (Direct NH Jobs):</b>	Direct Short Term Jobs: Direct Long Term Jobs:	
<b>Environmental Benefits:</b>	Amount of fossil-fuel displaced/yr: Tons of CO <sub>2</sub> avoided/yr:	
<b>Anticipated Project Completion Date:</b>		

## Attachment B. SCORING CRITERIA SUMMARY SHEET

Applicant:

Technology:

Funding Requested:

Factor	Maximum Score	Score	Comments
Grant \$/REC	45		
Financial	20		
NH Benefits	15		
Project Readiness and Community Support	15		
Matching Funds	15		
Environmental Benefits	10		
<b>Total</b>	<b>120</b>		

**Comments:**

## **Attachment C. GENERAL PROVISIONS**

A copy of the General Provisions to be signed by the parties can also be found at <http://www.puc.nh.gov/Sustainable%20Energy/RFPs/2011%20C&I%20RFP/Grant%20Agreement%20Form-General%20Provisions.pdf>. **Applicants will be required to fill in this form only upon approval of the proposal by the Commission.**