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**REQUEST FOR PROPOSALS
RFP #2018-003**

Issue Date March 23, 2018

RENEWABLE ENERGY FUND

Grants for Community Solar Photovoltaic (PV) Projects Providing Direct Benefits to Low and Moderate Income Residential Electric Customers

The New Hampshire Public Utilities Commission (PUC or Commission) is seeking proposals for community solar photovoltaic (PV) projects that will provide direct benefits to New Hampshire low and moderate income (LMI) residential electric customers who reside within the same electric distribution utility service territory. Proposals must present a comprehensive plan that clearly demonstrates and quantifies the net direct benefits to participating LMI customers. Projects or portions of projects that have requested funds from the Commission's Commercial & Industrial (C&I) Competitive Grant Program, C&I Renewable Energy Rebate Program, or Residential Renewable Electric Generation Incentive Program¹, are not eligible for funding under this solicitation. Total funding available under this RFP will be \$405,000. The minimum grant request amount is \$50,000 and the maximum grant request amount is \$200,000.

Pertinent Dates and Information:

1. Bidders may submit written inquiries about this RFP by e-mail to: RFP@puc.nh.gov no later than 4:30 p.m. on Wednesday, April 4, 2018. The subject line of the e-mail should state the following: RFP #2018-003, LMI Community Solar Grants. No phone calls, please. Inquiries and corresponding responses will be posted on the Commission's website as received. Please note that responses 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 and submit any questions to allow the Commission time to answer questions and to allow the applicant time to complete the proposal.
2. **Proposals must be submitted electronically to the PUC no later than 4:30 p.m. on Friday, April 13, 2018.** The electronic copy must be in PDF (portable document file) format. Proposals must be submitted electronically to:

RFP@puc.nh.gov

¹ Information available at <http://puc.nh.gov/Sustainable%20Energy/RenewableEnergyRebates.html>

3. In addition to the electronic submission, applicants must submit four (4) paper copies to the address below, which must be postmarked no later than April 14, 2018.

Eunice Landry, Business Office Director
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

I. Background and Purpose

A. Background

The New Hampshire Public Utilities Commission is an executive branch agency with various responsibilities, among them the administration of the state's Renewable Portfolio Standard (RPS) program, pursuant to RSA 362-F, and management of the state's Renewable Energy Fund² (REF), pursuant to RSA 362-F:10. The purpose of the REF is to support thermal and electric renewable energy initiatives in New Hampshire.

Under Senate Bill 129, enacted as 2017 N.H. Laws Chapter 226 (SB 129), and pursuant to RSA 362-F:10, X, the Commission is required to develop program(s) for LMI residential electric customers. In particular, SB 129 specifies further parameters for development of LMI programs, including the following:

- “[N]o less than 15 percent of the [Renewable Energy Fund] shall annually benefit low-moderate income residential customers, including, but not limited to, the financing or leveraging of financing for low-moderate income community solar projects in manufactured housing communities or in multi-family rental housing.”
- “Low-moderate income community solar project” means ground-mounted or rooftop solar arrays that directly benefit a group of at least 5 residential end-user customers, where at least a majority of the residential end-user customers are at or below 300 percent of the federal poverty guidelines.”
- “Each group member of a group host for a low-moderate income community solar project, as defined in RSA 362-F:2, X-a, may receive credits on the customer electric bill for each member and the host, provided that there shall be only one new project under this paragraph in each utility's service territory by December 31, 2019 with such projects available on a first-come, first-served basis.”

Through issuance of a secretarial letter dated September 20, 2017, the Commission approved the allocation of \$405,000 to the LMI program for fiscal year 2018.

On November 3, 2017, the Commission opened Docket DE 17-172 to develop, review, and approve program(s) designed to meet SB 129 requirements, and directed that initial efforts to develop such

² The REF is funded through alternative compliance payments (ACPs) made by the distribution utilities and competitive electric power suppliers in the absence of renewable energy certificates (RECs) available in the market, for sale, at a price that is equal to or less than the applicable ACPs. ACP amounts are adjusted each year, pursuant to RSA 362-F:10, II and III.

programs be undertaken concurrently with the low and moderate income working group sessions in the net metering docket, DE 16-576. Joint working group sessions were held on November 15, 2017, January 3, 2018, and January 29, 2018 to discuss relevant issues and receive stakeholder input.

Pursuant to RSA 362-F:10, VIII, the Commission may, after notice and hearing, by order or rule, establish “additional incentive or rebate programs for customer-sited thermal and renewable energy projects” to be supported by the Renewable Energy Fund. This RFP is issued under that statutory provision, as approved by the Commission in Order No. 26,113 (March 19, 2018).

All grant awards are contingent on approval by the Governor and Executive Council (G&C).

B. Purpose

The Commission is seeking proposals from qualified individuals, entities, or multiple entities for community solar projects that would provide direct benefits to LMI residential electric customers, as the means of meeting the statutory requirements of SB 129. As used in this RFP, the term “project” includes both the equipment and facilities comprising the solar PV system and the management and administration of financing, funding, operations, maintenance, benefits provision, participating customer income verification, admission, replacement, education, and communications, and other related matters.

C. Basic Project Eligibility Requirements

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

1. Applicants must propose new resident-owned or third party-owned ground-mounted or rooftop community solar PV projects, including, but not limited to, those located in or otherwise serving affordable multi-family rental housing or resident-owned manufactured housing communities.
2. Projects must utilize grant funds primarily for capital investments in new solar PV projects that will result in a quantifiable direct benefit to a minimum of three LMI residential electric customers within the same electric distribution utility service territory and where at least the majority of participants must be LMI. LMI is defined consistent with SB 129 as end-use customers with income at or below 300 percent of the federal poverty guidelines (FPG).³
3. Projects must adhere to the statutory requirements of SB 129 and provide direct benefits to LMI customers from the date of initial operation through the earlier to occur of (i) 20 years, or (ii) the end of the project’s useful operational life.
4. Projects must be operational by June 30, 2019.
5. Applicants may not also request funding from the C&I Competitive Grant Program, C&I Renewable Energy Rebate Program, or Residential Renewable Electric Generation Incentive Program.
6. Grantees must commit to submitting an application for the project for REC eligibility in New Hampshire.
7. Only community solar PV projects are eligible for funding under this RFP.

³ 2018 Federal Poverty Guidelines: <https://www.federalregister.gov/documents/2018/01/18/2018-00814/annual-update-of-the-hhs-poverty-guidelines>.

8. Projects must be physically located in New Hampshire and any point of grid interconnection must also be in New Hampshire. Neither the project nor the end-use customers to be served by the system may be located in, or a customer of, a municipal electric utility.
9. 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 G&C are not eligible for reimbursement. Reimbursement may be contingent on the occurrence of specified milestone events and the satisfaction of other conditions as set forth in the approved grant agreement. In accordance with the terms of the grant, a grantee is required to submit requests for reimbursement together with supporting documentation of the paid expenditures. The Commission will withhold payment of a percentage of any grant award until final completion and interconnection 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 format includes 12 point font size with 1" page margins. Page numbers should be included. 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 Attachment** Please use the form provided in Attachment A.
- C. Technical Project Proposal**
 1. Overview of project site location (including panoramic and aerial site photos) and description of where array is to be sited.
 2. System size (kW AC and kW DC), and generating facility equipment, including manufacturer and model (if applicable) of inverters, panels, racking, production meter and monitoring software.
 3. Solar PV system schematic (including one-line drawing), with an attached copy of any relevant engineering or feasibility studies.
 4. Solar Site Survey, including a solar shading analysis and estimated annual production; a minimum of 80% optimal insolation is required. Please attach a copy of the Solar Site Survey.
 5. Projected kilowatt-hours (kWh) to be generated (annual and lifetime) and the assumptions (e.g., capacity factor) used for the estimate.
 6. Project timeline, including start date, key milestones in project progress (e.g., design, permitting, construction, start-up, commissioning), and expected interconnection date.
 7. List of permits and approvals required and status of such permits and approvals, including any lease or site-control arrangements with property owners. Please attach a copy of any applicable lease agreement.
 8. If a roof-mounted system, demonstrate that a structural analysis has been completed.
 9. Describe project ownership structure, identify system owner, identify site owner, if different, including names of all project owners and project site ownership and/or leasing structure,

- and describe any power purchase agreement (PPA), if applicable. Please attach a copy of any applicable PPA. Please include letter of support from the site owner, if applicable.
10. Describe assignments and roles of individual key project personnel, listing the project developer, solar installation company, NH licensed electrician, and any other project personnel.
 11. Describe operations and maintenance plan for the system, including short-term and long-term system operation, maintenance, and monitoring arrangements, and estimated project lifespan, including any associated costs.
 12. Describe the Labor and Product Warranties; note that a minimum of 5 years labor warranty is required. Projects must include a long-term plan for one full replacement of project inverters.

D. Project Model A narrative description comprehensively addressing how the community solar PV project will be designed and managed, and the net benefits that will be provided directly to participating LMI customers):

1. LMI Participant Benefits:
 - i. Describe estimated monthly or annual direct electric bill impacts (in kWh) to LMI participants, if applicable, and any allocation of kW to LMI participants and to non-LMI participants.
 - ii. Describe all benefits to be provided to LMI participants and how those benefits will be provided to LMI participants (e.g., through on-bill credits/virtual net metering (VNM), group net metering (GNM), rental payment reduction, association dues reduction, etc.). Projects which include direct cash payments to LMI participants will score lower on relevant criteria than projects which do not.
 - iii. Respondents must provide data projections expressed in dollars that clearly demonstrate the annual net direct benefits to each LMI participant for the first 10 years following initial operation of the PV system (data for additional years may be presented if desired).
 - iv. List the LMI participants and non-LMI participants (individual names are not required; general descriptions may be provided).
 - v. Describe any initial joining/subscription fees (fee amount must be specified), and any ongoing subscription fees, including amount, frequency, and term.
 - vi. Describe any other costs to LMI participants not included above; describe costs to non-LMI participants.
 - vii. Describe any identified potential impacts on public benefits program eligibility of participating LMI customers (such as Section 8 rent subsidy, Supplemental Security Income (SSI), Temporary Assistance to Needy Families (TANF), Medicaid, Food Stamps (SNAP), etc.).
 - viii. Describe possible tax consequences to LMI participants.
 - ix. Describe ownership interest of the LMI participants, if applicable.
2. Participant Communications:
 - i. Describe how LMI participants will be identified/recruited, initial and ongoing income verification, etc.
 - ii. Define proposed method for and cost of income verification.
 - iii. Describe process for subscription management, including handling new and/or enrollment of replacement participants.
 - iv. Describe method of participant engagement, participating customer education and outreach, and ongoing communication.

3. Ownership Model:
 - i. Provide a clear description of who will own the community solar PV system and for how long. If ownership will be transferred or sold during the operational life of the system, please explain when and how that will take place, and what, if any, transaction costs will occur and who will pay them.
 - ii. If the community solar PV system is third party owned, describe plans for effective management and communications between third party owner and organization providing direct benefits to participating residential electric customers.
 - iii. Provide a statement verifying that the grantee will submit an application for the project to be certified as REC-eligible in New Hampshire.
 - iv. Define the party that owns the RECs and who will benefit from the sale of the RECs.

4. Metering Arrangements:
 - i. Will this project be serving a master-metered building or individual meters?
 - ii. Describe any GNM arrangements, if applicable, including how community solar PV benefits will be provided to participating customers.
 - iii. Describe any VNM arrangements required, if applicable, including how community solar PV benefits will be provided to participating customers.
 - iv. Describe the utility's role in implementing the proposed project.

E. Project Development Costs and Financing

1. Provide total project cost estimate, including itemized costs for equipment, labor, design, permitting, materials, balance of system costs, etc., and any specific quotations from vendors and contractors.
2. State the grant amount being requested from the PUC.
3. Describe the project's financing plan, financing status, and letters of intent/commitment obtained or expected from any third party investors, lenders, or financiers. If securing financing from outside lenders, identify the lending institution and describe the interest rate, term, and all material conditions of the loan(s).
4. Describe all other financial resources and funding sources, including grants, rebates, tax credits, etc., anticipated to be used by or for the project.
5. Describe and quantify in dollars any funding to be received from community solar PV project participants (both LMI and non-LMI), if applicable, including initial joining fees and ongoing subscription fees (if funding or fees differ for LMI and non-LMI participants, list each cost separately).
6. Describe use of federal investment tax credit (ITC) and/or any other tax incentives.
7. Describe costs of initial project administration, such as LMI participant identification, marketing, education, and income qualification.
8. State expressly that the grant funding requested will only be applied to project costs benefitting LMI participants and not to any costs not related to the project providing direct benefits to participating LMI customers.

F. Ongoing Project Management Costs and Financing

1. Describe any financial resources, including REC revenue, grants, rebates, tax credits, etc., anticipated annually to cover project administration costs, if any.

2. Describe any funding from community solar PV project participants (both LMI and/or non-LMI), if applicable. List any ongoing subscription or other fees (i.e., amount, frequency, and term). If costs differ for LMI and non-LMI participants, list each cost separately.
3. Describe costs of administration such as new LMI participant identification, ongoing annual income verification costs, and participant subscription management costs.

G. Qualifications and Experience

1. Provide a summary of the qualifications, experience, and roles of the project team. As a separate attachment appended to the proposal, provide resumes of key personnel, including community solar developer, if applicable, solar installation company, contractors and subcontractors, such as electrician. List years of experience, specifically including community solar project experience (resumes should be limited to relevant experience).
2. Summaries of similar community solar or LMI projects undertaken by key personnel (including the date of project installation, summary of project, current status of project, client name, and name and phone number of contact for reference).

H. Conflicts of Interest

Describe any potential conflicts of interest on the part of any members of the project team or its contractors and subcontractors.

III. Proposal Selection Process and Criteria

Commission Staff will evaluate all proposals received for their completeness, clarity, and quality of presentation, how well the project meets the goals of SB 129, RSA 362-F, and the Renewable Energy Fund, reasonableness of costs, project feasibility and readiness, potential for long-term success of the project, qualifications and relevant experience of the project team, responses to all topics, and the likelihood of project completion within the contract period.

Proposals will be deemed incomplete and ineligible for grant funding if information that is essential to the scoring evaluation is not included in the proposal.

Proposals will be reviewed and evaluated by an Evaluation Team consisting of Commission staff, using a six-step process, as described below:

Step 1: Assess completeness and responsiveness of proposals to eliminate ineligible proposals; all projects deemed ineligible will receive notification of this determination in a timely manner.

Step 2: Score all eligible proposals according to the criteria below. (See Attachment B for an example of the scoring sheet).

Step 3: Conduct interviews of applicants, as needed.

Step 4: Submit recommendations to Commissioners; Commission selection of awardees.

Step 5: Negotiate and develop grant agreements and related contract documents.

Step 6: Submit contracts to the G&C for approval.

The Commission will consider the following criteria and assign a corresponding point score, where a maximum score for all criteria would be 100 points:

1. **Net Direct Benefits to LMI Participants.** Assessment of project will include evaluation of the net direct annual benefits to be provided to participating low and moderate income residential electric customers during the first 10 years following initial operation of the PV system; the amount of grant funding requested in relation to the net direct LMI benefits being provided; the percentage of participants who are LMI; and the percentage of energy produced that is effectively allocated to LMI participants.
Maximum Point Score 50

2. **Technical Project Specifications.** Proposal elements evaluated will include cost-effectiveness of project; optimal project siting; locational benefits; optimal energy modeling (e.g., Solar Pathfinder) results; labor and equipment warranties; inverter replacement warranty or plan; community solar PV project development team experience.
Maximum Point Score 15

3. **Project Feasibility and Readiness.** Applicant proposes a realistic and achievable project with a clear definition of project ownership and team members; secured project site control; identified community solar participants (LMI and non-LMI); a well-defined and feasible project timeline; project personnel demonstrating low moderate income participant experience; all necessary permits obtained or applied for; and financing, funding, and/or investment commitments obtained, if applicable.
Maximum Point Score 15

4. **Project Administration and Management.** Proposal presents a clear and detailed approach to initial identification, income verification, recruitment, enrollment, and replacement when necessary of LMI participants; methods of effective long-term project management and administration; minimal administrative and financial impacts on Utility and PUC; minimal potential impacts on public benefits program eligibility of LMI customers; and plans for effective LMI participant education, engagement, and outreach.
Maximum Point Score 20

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 and eligible proposal, to waive irregularities that it considers non-material to the proposal, to make funding decisions, including partial awards, solely as it deems to be in the best interests 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 the 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 and grants awarded, 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 disclosed. The Commission would then determine, if needed, whether such information qualifies under 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 interests of the State require 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), Employer Identification Number (EIN), or Social Security Number (SSN), and to register as a vendor with the State of New Hampshire.
- 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 and reporting requirements; Exhibit B will set forth the amount of the grant, any required milestones and preconditions to reimbursement, the amount of grant holdback or retainage, and the documentation requirements for and conditions of grant payments; and Exhibit C will include any special provisions, including any modifications to the General Provisions regarding insurance coverage and other matters.
- I.** If an applicant’s proposal is selected, any subsequent material changes or modifications, including, but not limited to, changes in project site plan, design, equipment, or other major components, overall project budget, key project personnel, LMI customer participation, project funding or financing model, project administration, management, or communications, or proposed technical details, must be submitted for review and prior approval by the Commission.
- J.** This RFP is not an offer. Neither the State nor this RFP 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 grant 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, development and construction progress reports and the reporting of expenditures, annual energy production for up to ten years after the project becomes operational, numbers of LMI and non-LMI participants, and

accounting for net direct benefits provided to participating LMI customers. Pursuant to Puc 2508.04, 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>. In addition, project specific terms and conditions will be negotiated with the applicant and included in the grant agreement.

Applicants will be required to fill in this form ONLY upon approval of the proposal for REF grant funding by the Commission.

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

| | |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 Exhibit C to 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 selection of the proposal to receive REF grant funding by the Commission.

Attachment A. PROJECT SUMMARY SHEET

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

Please see next page.

| Project Summary Sheet | | | |
|-------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------------------------------------|--|
| Project Name | | | |
| Project Team <i>(entities, contacts, roles)</i> | | | |
| Applicant Name <i>(name of entity to contract with the PUC to receive funds)</i> | | | |
| Contact Information for person authorized to enter into binding grant agreement | | | |
| Project Location | | | |
| Summary of Project Model | | | |
| Description of net direct benefits provided to LMI participants; including annual quantified value of net direct benefits | | | |
| Description of net direct benefits provided to non-LMI participants; including annual quantified value of net direct benefits | | | |
| No. of LMI participants receiving direct benefits | | No. of non-LMI participants receiving direct benefits | |
| Capacity and Anticipated Annual Energy Production | kW DC and kW AC | (Modeled kWh/year) | |
| Total Project Cost (\$) | | | |
| Total Funding Requested under the RFP (\$) | | | |
| Total Costs to LMI Participants, including joining & subscription fees, other payment commitments | | | |
| Anticipated Project Completion Date | | | |

Attachment B. SCORING CRITERIA SUMMARY SHEET

Project:

Applicant:

Grant Amount Requested:

| Criteria | Maximum Score | Score | Comments |
|-----------------------------------------|----------------------|--------------|-----------------|
| Net Direct Benefits to LMI Participants | 50 | | |
| Technical Project Specifications | 15 | | |
| Project Feasibility and Readiness | 15 | | |
| Project Administration and Management | 20 | | |
| Total | 100 | | |

Comments:

Attachment C. GENERAL PROVISIONS

A copy of the State of New Hampshire's Form P-37 General Provisions to be executed by the parties can be found at

<http://www.puc.nh.gov/Sustainable%20Energy/RFPs/2011%20C&I%20RFP/Grant%20Agreement%20Form-General%20Provisions.pdf>.

Applicant will be required to fill in this form ONLY if and when its proposal is selected by the Commission to receive REF grant funding.