

## QUESTIONS AND ANSWERS

RFP #2018-003

### NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

#### REQUEST FOR PROPOSALS

##### LMI Community Solar Grants

|    | Questions   | Answers   |
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| 5. | Why was the RFP not sent to the list serve for the low-income working group?  | The RFP link was sent to the service list for Docket DE 17-172, including Intervenors and Interested Parties. The RFP was posted to the PUC's website page where RFPs are maintained, and an ad was run for three days in the <i>Union Leader</i> , which is the PUC procedure for RFP announcements.                                       |
| 6. | Would you extend the deadline from 4:30 p.m. on Friday April 13th until 4:30 p.m. on Monday April 16th?   | Under the circumstances, the deadline will be extended until noon on Monday April 16 <sup>th</sup> .  |
| 7. | What projected escalator should be used for the increase (or decrease) in utility rates over time? Whether a proposal uses a projected utility price escalator of 2% or 4% would impact the direct benefits to LMI participants. To be fair, the PUC should set an escalator for utility rates for respondents to use. Such a price assumption would clearly be made solely for the purpose of estimating for this RFP response the benefits to the LMI participants. | The RFP specifications do not include defined parameters such as an assumed utility rate escalator. Proposers should present their own financial analyses, and describe any relevant assumptions used in those analyses. Proposals will be evaluated based on the information provided and further analysis by the Commission if warranted. |
| 8. | Similarly, the projected return from RECs will vary based on assumptions made by parties. To be fair the PUC should set the projected price for REC's over the ten year requested time frame in order to compare projects fairly. Such a price assumption would clearly be made solely for the purpose of estimating for this RFP response the benefits to the LMI participants.  | The RFP specifications do not include defined parameters such as assumed REC price projections. Proposers should present their own financial analyses, and describe any relevant assumptions used in those analyses. Proposals will be evaluated based on the information provided and further analysis by the Commission if warranted.     |
| 9. | [RFP Section] I.C.2 states that projects must utilize grant funds primarily for capital investments. [RFP Section] I.C.9 states that "reimbursement to grantees under this program is on a cost-reimbursable basis, unless approved otherwise.  | [continued on next page]  |

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| <p>9A. Will it be acceptable for the funds to be used for capital investment that occurs at the end of year five for the purchase of the project so long as the funds are placed in escrow only for the purposes of making the capital investment at that time under an option to purchase in a Power Purchase Agreement?</p> <p>9B. Alternatively, will it be acceptable for the [applicant] to lend the funds to the developers for the development of the project at fair market terms and then use those funds at the end of year five to purchase the solar project. This option is more economically efficient because of the amount of developer funds that needs to be raised and therefore the return that is allocated back to the developer.</p> | <p>All qualified expenses eligible for reimbursement using grant funds awarded by the Commission must be incurred by the grantee by the end of the contract period.</p> <p>Aside from that funding restriction, RFP respondents are free to propose different ownership, financing, benefit, and timing structures, and their proposals will be evaluated by the Commission based on the scoring criteria as specified in the RFP.</p> |
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