

Questions & Answers on the RFP for Programs to Reduce Greenhouse Gas Emissions in New Hampshire

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Proposals Due Date: March 23, 4:30 pm EDT

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- Q. 1 The focus of the RFP concentrates almost entirely on Demand Side issues, along with the much broader scope of energy use in general, such as weatherization. Electric power generation finally gets mentioned in Section (4), halfway through the document, and again under “Selection Criteria”. Does this offer the opportunity for presenting a proposal dealing with electric power generation efficiency? And, of course, along with efficiency, the reduction of GHG emissions, reduction of water usage, positive economic impact, and demonstration of innovative technology?
- A. 1 Energy efficiency programs for electric power generation are not precluded by the language of the statute or rules from being eligible for funding from the GHGER Fund. The selection criteria in RSA 125-O:23, VII, and Puc 2604.03 include consideration of the extent to which proposed programs can be expected to “reduce greenhouse gas emissions from all fuels used to provide electricity, heating and cooling in New Hampshire...and otherwise be consistent with ... the purposes of RSA 125-O:19” which states that “the purpose of this subdivision is to reduce greenhouse emissions resulting from energy use in New Hampshire.” All of the examples of types of eligible programs given in RSA 125-O:23, II, are demand side programs, but statutory language states that these examples are not exclusive.
- Q. 2 In the case of innovative technology, is the presence of valid intellectual property rights (patents) an essential condition for a successful proposal?
- A. 2 One criterion for selection is consideration of the extent to which proposed programs can be expected to promote innovative technology. RSA 125-O:23, VII (d) and Puc 2604.03(a)(4)b. Possession of intellectual property rights is not a requirement per se, though violation of another entity’s intellectual property rights would presumptively not be consistent with the public interest, which is another criterion that the PUC will consider. Puc 2604.03(a)(8). Also, Puc 2604.02(b)(2) provides that the Commission dedicate funds for those proposals that it finds are “[r]ealistically proposed and achievable by the applicant;” along with two other findings.
- Q. 3 Could a for-profit business or agricultural operation apply for funding under this RFP if they will be switching from oil/propane/natural gas/coal heating/cooling to a renewable (biomass, wind , solar, etc) system? If yes, can the business apply for a recently completed project or does application have to be for a proposed project?

- A. 3 As described it is not clear how such fuel switching projects would qualify as an energy efficiency, conservation, or demand response program as required by RSA 125-O:23, II or Puc 2604.02 which states that to “be eligible for monies from the greenhouse gas emissions reduction fund, an initiative shall be designed to improve energy efficiency, conservation or demand response in New Hampshire.” With regard to an already completed project, as RSA 125-O:23, II requires that fund “moneys shall be used to support energy efficiency, conservation, and demand response to reduce greenhouse gas emissions generated within the state,” it would appear that funding for an already completed project would not qualify as there would not be additional reductions of greenhouse gas emissions that would result from such retroactive funding.
- Q. 4 Would a project that replaces a truck running on fossil fuel with an entirely electric truck be eligible?
- A. 4 As described it is not clear how such a fuel switching project would qualify as an energy efficiency, conservation, or demand response program as required by RSA 125-O:23, II and Puc 2604.02.
- Q. 5 Would a project that replaces a truck running on fossil fuel with an entirely electric truck that is charged via solar power be eligible?
- A. 5 As described it is not clear how such a fuel switching project would qualify as an energy efficiency, conservation, or demand response program as required by RSA 125-O:23, II and Puc 2604.02.
- Q. 6 How many awards do you anticipate making?
- A. 6 The PUC does not have any preconceived anticipation in this regard. The number of awards will depend on the number and quality of the proposals received and the amount of available funds. Puc 2604.02(b)(3) provides that the Commission dedicate funds for those proposals that it finds are “[m]ost likely, on balance, to advance the purposes of RSA 125-O, within the constraint of available funds,” along with two other findings.
- Q. 7 Do you anticipate this program continuing with future RFPs?
- A. 7 On page 3 of the RFP is the statement: “A second RFP is expected to be issued later in 2009, likely in mid to late summer with responses likely due in September. At this time, additional RGGI auctions are scheduled for June 17, September 9, and December 2, 2009 and quarterly in subsequent years.” A schedule for RFPs, beyond the likely second one as described above, has not been established. Puc 2604.02(a), an interim rule that expires on 6/30/09, provides that the “Commission shall periodically issue a request for proposals (RFPs) for initiatives to be supported by the greenhouse gas emissions reduction fund.” This rule also allows for the selection and funding of eligible programs through adjudicated proceedings at Puc 2604.01(b). The Commission hopes to adopt permanent rules by 7/1/09, though an initial proposal for permanent rules has not yet been made. At this time the PUC anticipates that as long as there is revenue coming into the GHGER

Fund and the provisions of RSA 125-O:23 remain substantially the same as they are now, there will continue to be periodic RFPs for the Fund, perhaps annually or semi-annually.

Q. 8 Could you give an interpretation of the attached, highlighted paragraph in the GGGERF RFP? [The referenced paragraph is the last one in the “Overview” section, right before “Proposal Requirements,” in the middle of page 4 of the RFP.]

A. 8 The referenced paragraph provides that there are two ways that an entity could respond to the RFP. The first and most likely are proposals that request that GHGER Funds be granted or loaned to the responding entity (the applicant) to operate a proposed program. The second way that an entity could respond is to propose an idea or program that some entity other than the respondent might carry out, such as the PUC, another state agency, or a utility. Such a proposal that is not directly seeking funding would not need to complete all of the proposal requirements and could be submitted by letter or email at any time. If the Commission finds that such a proposal merits “further consideration or development, the Commission will publicly present such proposals to the EESE Board and the suggested program administrator and invite specific funding proposals to be submitted in response to a future RFP.”

Q. 9 Is a 40KW solar PV system for the Town of [] a legitimate project under the guidelines of this grant?

A. 9 As described it is not clear how such a project would qualify as an energy efficiency, conservation, or demand response program as required by RSA 125-O:23, II and Puc 2604.02. When the NH legislature enacted the Electric Renewable Portfolio Standard (RSA Chapter 362-F), they also created a Renewable Energy Fund ([RSA 362-F:10](#)) to be funded with alternative compliance payments (ACPs) and administered by the PUC (pursuant to administrative rules that have been adopted, [Puc 2500](#)). The purpose of the Renewable Energy Fund is specifically to support thermal and electrical renewable energy initiatives such as solar PV systems. The initial revenue for this fund should be received as ACPs on or about July 1, 2009. The amount of such revenue will not be known until that time, after which the PUC will determine when to issue an RFP for use of those funds. The Renewable Energy Fund will also be used to fund renewable energy incentives or rebates for which such a project might be eligible. Specifically, PUC 2507.03(f) states that “[t]he commission on its own motion and after notice and hearing shall establish a rebate program for customer-sited renewable energy projects of up to 100 kilowatts or equivalent thermal output” Such a rebate program is currently under development.

Q. 10 Would our town need to put out a competitive RFP for contractors?

A. 10 No, not for purposes of the GHGER Fund. Depending on the nature of the proposal and funding agreement, it may be possible (and in some cases desirable) for an applicant to seek competitive bids for parts of a proposed program after funding is approved.

- Q. 11 Are we limited to NH contractors for the work?
- A. 11 No, although a criterion for selecting proposals to be funded is consideration of the extent to which each proposed program can be expected to promote economic development. (Puc 2605.03(4)c.)
- Q. 12 On Page 3 of the RFP, you refer to residential housing and 'commercial' building stock as part of the types of programs that are authorized to be funded. Will energy efficiency programs related to municipal buildings qualify for funding, under the guise of a type of 'commercial' building, given that institutional buildings are not specifically mentioned in the RFP?
- A. 12 Yes, GHGER Fund monies can be used to support energy efficiency programs for municipal and other public and institutional buildings in New Hampshire.
- Q. 13 Have you any rules of thumb regarding the proportion of a project's cost to be covered by matching funds? [posted 3/17/09]
- A. 13 There is no required percentage of matching funds, nor is there a recommended percentage. Match is considered a form of leverage and is one of many factors that will be used to evaluate proposals. Generally the higher the match, the more highly a proposed program will be rated in this particular category as program funds will have greater impact when leveraged. Put another way, matching funds can improve a program's cost-effectiveness with regard to the funds provided by the Greenhouse Gas Emissions Reduction Fund.
- Q. 14 It will take longer than this summer to complete our multi-phased project, but we could begin fairly soon. Can this RFP fund preparatory design work, as well as construction?
- A. 14 Yes. Applicants may propose multi-year programs but future funding may be contingent on performance review and availability of funds. See RFP, p.3.
- Q. 15 We are planning on submitting a proposal through a not-for-profit corporation that is not currently registered as a foreign entity in New Hampshire, and see that under 1.5 Applicant that this might be required. We would certainly be willing to register as a foreign entity, but it is unlikely that we could complete that process by March 23d. Would that disallow our application, or could we indicate that we have applied for foreign registration with the NH Secretary of State's Office?
- A. 15 So indicating would be acceptable. Any grant award to your organization, however, would require proof that the organization is either organized under the laws of NH or registered to do business in NH with the Secretary of State.
- Q. 16 Our local energy committee is requesting money for energy audits of 7 town buildings. This is the first step in a larger program that would include

weatherization and other retrofits, but no large-ticket projects, such as solar PV or bio-fuel furnaces. Should we include an estimate of the cost of weatherization, even though we are only asking for money for the audits?

- A. 16 Including an estimate of the cost of weatherization would not be advisable prior to carrying out energy audits, as any cost estimate for weatherization would be highly speculative. In the alternative, if there is any preliminary data regarding the energy performance of the town buildings, it would be helpful to provide that information in your proposal. Building ratings obtained by using the EPA's Energy Star Portfolio Manager program, for instance, can give an energy rating on a scale of 1 to 100 indicating a building's energy performance relative to similar buildings. See www.energystar.gov/index.cfm?c=evaluate_performance.bus_portfoliomanager .
- Q. 17 Is there any matching funding from the town required, or can we ask for the cost of all seven audits?
- A.17 See answer to Q 13.
- Q. 18 Under 4.3 (footnote 9), the RFP asks us to provide detail of calculations used to estimate the reduction of peak energy load from the program, and reference is given to a table in the additional opportunities for energy efficiency in NH report. Is there any guidance about how to use that information to calculate impacts on peak energy loads? (Is there information available anywhere about estimating peak energy loads)?
- A. 18 The table referred to in the RFP can be found in Appendix H – Benefit/Cost Model Key Inputs and Assumptions, www.puc.state.nh.us/Electric/GDS%20Report/Appendix%20H.pdf, at page H-11. The functions in the table relevant to peak energy calculations have been incorporated into the cost-effectiveness analysis spreadsheet now posted on the Commission website. By entering the required data in lines 2, 3 and 11, an estimate of peak load reductions will be automatically calculated.
- Q. 19 Will energy efficiency projects undertaken by a municipality with an Energy Services Company (ESCO) under an Energy Savings Performance Contract (ESPC) be eligible for funding under the terms and conditions of your RFP?
- A. 19 Yes.
- Q. 20 If we submit a proposal by your 3/23/09 deadline and our proposal is not selected for funding can we resubmit the same proposal when you issue your second RFP later in 2009?
- A. 20 You may resubmit the proposal in response to the anticipated second RFP. Note, however, that the requirements and terms and conditions of a new RFP may vary from those of this RFP.

- Q. 21 If we can resubmit, will there be any restrictions on this resubmission in terms of size, scope or timing?
- A. 21 Again, any proposal that is resubmitted will need to comply with any changed requirements set forth in a new RFP, though none are specifically planned at this point in time.
- Q. 22 Given the nature and size of our program, can Section 3: Proposed Work Scope and Schedule be expanded, providing the overall length of the RFP meets the page requirement? [posted 3/18/09]
- A. 22 Yes.
- Q. 23 Is there a set schedule for progress reports or should the proposer provide one he/she feels is appropriate for the proposed project? [posted 3/19/09]
- A. 23 None is required at this point, but a respondent may suggest one as part of their proposal.
- Q. 24 The RFP states that an “equivalent budget” to the provided spreadsheet may be submitted in lieu of the provided spreadsheet. Is it acceptable if it follows a format of fully burdened hourly costs rather than a format of salary, fringes, general overhead, and profit. My firm, like many consulting firms, has a set fee schedule that is simply a fully burdened hourly rate. Costs other than in-house labor, such as subcontracts and materials, are typically marked up some given percentage. If the budget is prepared in that format will it be acceptable?
- A. 24 Yes.
- Q. 25 Where it makes more sense to provide budget cost breakdown by something other than quarterly is that acceptable? For example, if the proposed project is to deliver a number of essentially identical “units/activities” may the budget breakdown be per “unit/activity” rather than by quarter?
- A. 25 Yes, though the proposal should give some indication of the expected schedule or rate of providing deliverables, which might be a reasonable range of possibilities.
- Q. 26 On page 4 of the RFP it states that "Proposals are limited to 14 pages of narrative, plus any required attachments.... Then in each section a page limit is given, for example, 'Cover page(s) (1-2 pages). When the page limits for each section (1-8) are added up, the page limit ranges from 9-16 pages. Please clarify if the real page limit requirement is 14 or 16 pages. [posted 3/20/09]
- A. 26 Proposals are limited to no more than 2 pages for the “Cover Page(s),” plus an additional 14 pages of narrative, plus various specified attachments.

- Q. 27 In section 7, *Applicant Qualifications*, the response is limited to one page. There is a lot of information being requested for one page. If we go over the one page limit for this section, will our proposal be considered unresponsive?
- A. 27 Given that the information to be provided is to be supplemented with resumes for key personnel, applicants are strongly encouraged not to exceed the one page limit for this section. Subcontractor statements of qualification could be attached as resumes. Attached resumes do not count toward the one page limit for this section and the overall 14 page narrative limit.