



**February 2010
REQUEST FOR PROPOSALS**

INTRODUCTION

The purpose of this Request for Proposals (RFP) is to obtain proposals for projects that promote the development and deployment of cost-effective and environmentally sustainable electric power and thermal energy or geothermal resources – primarily with respect to renewable energy resources, and the use of combined heat and power technologies – for the long-term benefit of Vermont consumers.

It is anticipated that a total of \$2,500,000 in funding will be awarded. Applicants may submit proposals for projects in the following categories:

Project Categories	Project Sizes	Award Amounts	Cost Share Required (25% of match can be in-kind)
Pre project assistance	NA	<\$25,000 - \$75,000	20% for projects < \$25K 50% for projects \$25K and greater
Small Scale System	<150kW <1M Btu, <15 tons for geo	≤\$50,000	70%
Large Scale Systems	>150kW, >1M Btu, >15 tons for geo, & ≤\$250,000	≤ \$250,000	50%
Community Scale	>250kW, >8M Btu, >250tons for geo	≤ \$500,000	50%
Special Demonstration Projects	NA	≤ \$250,000	50%

An applicant may submit multiple proposals in any category, but only one proposal per project/system. (For example: an applicant **cannot** request both pre-project funding assistance for a renewable energy system as well as funding for the cost of the system in the same grant

round. A renewable energy system installer **can** submit proposals to install separate systems at different sites.) All projects must be based in Vermont and show long-term benefit to Vermont consumers. All electric-generation projects must be grid-connected.

Standard Offer Projects

Projects that are participating in the Vermont Sustainable Priced Energy Enterprise Development (SPEED) Standard Offer (AKA the feed-in tariff) program are not eligible for grants from the CEDF. Notwithstanding the ineligibility of Standard Offer projects, anaerobic digester projects located on dairy farms are eligible for this program for this grant solicitation only. They will not be eligible for any future grant solicitations. Projects in the standard offer program are eligible for loans but only under extraordinary circumstances.

Grants and Loans

Applicants may request grant funds and loans as part of a complete project financing proposal. If the applicant seeks both grant and loan funds, then both requests must be submitted together under this RFP. Loans may range from \$50,000 to \$500,000 with a 10% cash cost share required. The complete Clean Energy Development Fund (CEDF) loan application with instructions and loan program brochure may be accessed online at: http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html.

ARRA (American Recovery and Reinvestment Act

The CEDF may allocate American Recovery and Reinvestment Act (ARRA) funding toward projects awarded funding under this RFP. Thus, applicants must meet all transparency and accountability requirements if they are chosen as recipients of ARRA funding. Applicants are encouraged to thoroughly review this RFP as well as guidance provided by the Department of Energy (DOE) to the states at: http://apps1.eere.energy.gov/wip/pdfs/sep_arra_foa.pdf (in particular, pages 4, 36-37, 40-43, and 47-50) and by the Office of Management and Budget (OMB) at www.recovery.gov. The Department of Public Service and the Clean Energy Development Fund reserve the right to make necessary changes or adjustments to the program design or to any statements made in this RFP upon receiving further guidance from DOE, OMB, or the Vermont Office of Stimulus and Recovery (ESR).

Proposals must arrive at the Department of Public Service (DPS) office by 4:00 P.M. on Friday, March 12th, 2010. Applicants mailing proposals should allow adequate time to ensure receipt of their proposal(s) by the deadline. Proposals received after 4:00 PM on Friday, March 12th will not be considered. Proposals are limited to 15 pages, with no less than a 11-point font and one-inch margins. One original signed hard copy, five additional copies, and an electronic copy (which can be emailed or submitted on a CD) of the proposal must be delivered to Andrew Perchlik, c/o Vermont Department of Public Service. Proposals must include a complete Cover Page and Budget Worksheet, both of which are available on the DPS website or by contacting the CEDF Director. Electronic copies should be emailed to the Director and should consist of a single PDF file containing the following in this order: Cover Page, Proposal Narrative, and Budget Worksheet. **Both** electronic and hard copies must arrive before the deadline. Proposals and questions should be addressed to:

Andrew Pechlik
CEDF Director
C/o Vermont Department of Public Service
112 State Street
Montpelier, VT 05620-2601

Phone: (802) 828-4017
Email: andrew.perchlik@state.vt.us

Grant awards will be announced in April, 2010.

BACKGROUND

In 2005, the Vermont General Assembly established the Vermont Clean Energy Development Fund (CEDF) through Act 74 (10 V.S.A. § 6523). The Act specifies that the CEDF will be established and funded through proceeds due to the state under the terms of two memoranda of understanding between the Vermont Department of Public Service (DPS) and Entergy Nuclear VT and Entergy Nuclear Operations, Inc., and by any other monies that may be appropriated to or deposited into the Fund. The CEDF will receive payments from Entergy through March of 2012.

10 V.S.A. § 6523 list the purpose of the CEDF as follows:

“The purposes of the fund shall be to promote the development and deployment of cost-effective and environmentally sustainable electric power and thermal energy or geothermal resources, and emerging energy-efficient technologies, for the long-term benefit of Vermont consumers, primarily with respect to renewable energy resources, and the use of combined heat and power technologies.”

The statute further lists the authorized expenditures:

- Projects that will sell power in commercial quantities;
- Among those projects that will sell power in commercial quantities, funding priority will be given to those projects that commit to sell power to Vermont utilities on favorable terms;
- Projects to benefit publicly owned or leased buildings;
- Renewable energy projects on farms, which may include any or all costs incurred to upgrade to a three-phase line to serve a system on a farm;
- Small scale renewable energy in Vermont residences, institutions, and businesses.

The CEDF offers a portfolio of funding opportunities to accelerate the development, commercialization, and production of clean energy in Vermont including: grants, loans, equity investments, and direct incentive payments through the *Vermont Small-Scale Renewable Energy Incentive Program*. The CEDF plans to issue grant solicitations each year in January and July. Additional information on the CEDF is available in the on the DPS website at: http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html .

PROJECT CATEGORIES

The purpose of this solicitation is to fund projects that promote the development and deployment of cost-effective and environmentally sustainable electric power and thermal energy and geothermal energy resources. To reach this goal, funding will be awarded to projects in the following five categories: *Pre-Project Financial Assistance*, *Small-Scale Systems*, *Large-Scale Systems*, *Community-Scale Systems*, and *Special Demonstration Projects*. Applicants cannot be reimbursed for educational, outreach, and similar types of activities, but should note whether these types of activities will be completed to promote the project. All electric-generation projects

must be grid-connected. Off-grid projects are not eligible. Thermal projects, including combined heat and power projects, should maximize the thermal efficiency of the fuel source.

All projects that involve the community at any level must include a letter of support from the town or city in which the system is to be installed. Other types of projects are encouraged to include letters of support from the host community as well.

Pre-Project Financial Assistance

This category includes feasibility studies and pre-development activities to develop new renewable energy generation facilities and CHP systems that will be **over 15 kW** in AC rated capacity, and over 1 million Btu (per day for solar thermal and per hour for combustion systems) or 15 tons of capacity (geothermal), which may require high-risk, early-stage activities and for those projects that do not have the resources to finance pre-project activities. Projects under this category may include: renewable energy resource assessments; site assessments; environmental impact and regulatory analysis; permitting; technical and engineering feasibility studies; engineering designs; and economic and financial feasibility studies. Other similar projects not specifically listed above will also be considered. Projects requiring anemometry should first apply to the Vermont Anemometry Loan Program (<http://web.vtc.edu/users/jnk06190/VTALP/>) or any other anemometry services offered by the State before applying for funds in this category.

The maximum grant award for this category is \$75,000. Projects requesting up to \$25,000 are required to have a 20% **cash** match (20% of the total project cost); projects requesting \$25,001 to \$75,000 are required to have a 50% match, no more than 25% of which can be in-kind match. Projects must be completed within one year of award.

On-farm projects are only eligible for this category for anaerobic digester projects. Other projects are not eligible as funding is currently available for feasibility studies and technical assistance through the Vermont Agency of Agriculture's Renewable Energy for Agriculture Grant Program (VT REAP). Contact Dan Scruton at the Vermont Agency of Agriculture for additional information on the *VT REAP* funding by phone at 802-828-3836 or by email at dan@agr.state.vt.us.

Small-Scale Systems

This category includes clean energy systems totaling **no more than 150 kW** of AC rated capacity and no more than 1 million Btu (per day for solar thermal and per hour for combustion systems) or 15 tons of capacity (geothermal) per installation such as microturbines, fuel cells, geothermal systems, wood boilers/gasifiers, and CHP. Residential biomass heating systems, such as woodstoves and outdoor wood boilers, are excluded from this solicitation. All projects that generate electricity must be grid-connected. Other similar-type systems not specifically listed above will also be considered. Proposals for systems installed in residential buildings will not be considered unless a suitable energy audit is included as part of the application (audits do not count toward the page limit) and proposed systems meet Energy Star efficiency standards. Geothermal systems may be subject to inclusion in a statewide residential geothermal monitoring program. The grant may not be used to purchase used generating equipment, though the grant program may support upgrades of existing facilities with new equipment.

The maximum grant award for this category is \$50,000 and requires a 70% cash match. Projects must be completed within 2 years of award. **For electric-generation projects, a Grantee must receive their Certificate of Public Good (CPG) from the Public Service Board before any invoices or costs incurred for the project will be reimbursed by the CEDF. For thermal and geothermal projects, the final 50% of the grant will be withheld until the system is installed and operational. No more than 10% of a grant request may be for pre-development activities (see examples under Pre-Project Financial Assistance category).** That 10% may be reimbursed prior to receipt of CPG/FERC license.

Solar electric, solar hot water, wind, and hydro systems **are not** eligible for funding under this category as incentives are currently available under the *VT Small-Scale Renewable Energy Incentive Program* for these types of systems. Additional information on this incentive program is available at: www.erc-vt.org or by calling the Renewable Energy Resource Center at 877-888-7372.

Small-Scale System Project Loans

Applicants can request both grants and loans from the CEDF as part of a complete project financing proposal through this RFP. **If the applicant seeks both grant and loan funds, then both applications must be submitted together under this RFP.** Loans may be requested in amounts from \$50,000 up to \$500,000 with a 10% cash cost share required. The complete CEDF loan application with instructions and loan program brochure may be accessed online at: http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html.

Large-Scale Systems

This category includes renewable energy and CHP projects **greater than 150 kW** in AC rated capacity and/or **greater than 1 million Btu** (per day for solar thermal and per hour for combustion systems) or **15 tons of capacity (geothermal)**. Renewable energy projects may include, but are not limited to: photovoltaic, solar thermal, hydroelectric, farm, landfill and sewer methane recovery, biomass power, district heating, and wind (projects must demonstrate an average wind speed of >6 m/s at hub height to be considered). The installation of microturbines, fuel cells, geothermal, and CHP systems at commercial, industrial, and institutional buildings are also eligible. All projects that generate electricity must be grid-connected. Grant funding may not be used to purchase used generating equipment, though the grant program may support upgrades of existing facilities with new equipment. Applicants should complete preliminary feasibility studies and resource assessments prior to applying for funding under this category and include them as attachments with the applications (for all technologies except for solar).

The maximum grant award for this category is \$250,000 and requires a 50% match, no more than 25% of which can be in-kind match. Projects should be completed within two years of award. **For electric-generation projects, a Grantee must receive their Certificate of Public Good (CPG) from the Public Service Board (or a FERC license, for hydropower projects, if required) before any invoices or costs incurred for the project will be reimbursed by the CEDF. For thermal and geothermal projects, the final 50% of the grant will be withheld until the system is installed and operational.** No more than 10% of a grant request may be for pre-development activities (see examples under *Pre-Project Financial Assistance* category). That 10% may be reimbursed prior to receipt of CPG/FERC license.

Wind, solar, and hydroelectric systems that have already received or reserved incentive payments through the *VT Small-Scale Renewable Energy Incentive Program* are not eligible under this category, unless additional capacity of over 150 kW or 1 million Btu (per day for solar thermal and per hour for combustion systems) will be added to the existing system.

On-farm projects cannot apply for funding under this category if they have received or plan to receive Vermont Agency of Agriculture's VT Renewable Energy for Agriculture Grant Program (VT REAP) funding, unless the funding from the Agency is for pre-project assistance. Contact Dan Scruton at the Vermont Agency of Agriculture for additional information on the *VT REAP* funding by phone at 802-828-3836 or by email at dan@agr.state.vt.us.

Large-Scale System Project Loans

Applicants can request both grants and loans from the CEDF as part of a complete project financing proposal through this RFP. **If the applicant seeks both grant and loan funds, then both applications must be submitted together under this RFP.** Loans may be requested in amounts from \$50,000 up to \$500,000 with a 10% cash cost share required. The complete CEDF loan application with instructions and loan program brochure may be accessed online at: http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html.

Community-Scale Systems

This category includes renewable energy and CHP projects **greater than 250 kW** in AC rated capacity and/or **greater than 8 million Btu** (per day for solar thermal and per hour for combustion systems) or **250 tons of capacity (geothermal)**. Renewable energy projects may include, but are not limited to: photovoltaic, solar thermal, hydroelectric, farm, landfill and sewer methane recovery, biomass power, district heating, and wind (projects must demonstrate an average wind speed of >6 m/s at hub height to be considered). This may include utility-scale installations. The installation of microturbines, fuel cells, geothermal systems, and CHP systems at commercial, industrial, and institutional buildings are also eligible. All projects that generate electricity must be grid-connected. The grant may not be used to purchase used generating equipment, though the grant program may support upgrades of existing facilities with new equipment. Applicants should complete preliminary feasibility studies and resource assessments prior to applying for funding under this category and include them as attachments with the applications).

The maximum grant award for this category is \$500,000 and requires a 50% match, no more than 25% of which can be in-kind match. Projects should be completed within two years of award. **For electric-generation projects, a Grantee must receive their Certificate of Public Good (CPG) from the Public Service Board (or a FERC license, for hydropower projects, if required) before any invoices or costs incurred for the project will be reimbursed by the CEDF. For thermal and geothermal projects, the final 50% of the grant will be withheld until the system is installed and operational.** No more than 10% of a grant request may be for pre-development activities (see examples under *Pre-Project Financial Assistance* category). That 10% may be reimbursed prior to receipt of CPG/FERC license.

On-farm projects cannot apply for funding under this category if they have received or plan to receive Vermont Agency of Agriculture's VT Renewable Energy for Agriculture Grant Program (VT REAP), funding, unless the funding from the Agency is for pre-project assistance.

Contact Dan Scruton at the Vermont Agency of Agriculture for additional information on the VT REAP funding by phone at 802-828-3836 or by email at dan@agr.state.vt.us.

Community-Scale System Project Loans

Applicants can request both grants and loans from the CEDF as part of a complete project financing proposal through this RFP. **If the applicant seeks both grant and loan funds, then both applications must be submitted together under this RFP.** Loans may be requested in amounts from \$50,000 up to \$500,000 with a 10% cash cost share required. The complete CEDF loan application with instructions and loan program brochure may be accessed online at: http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html.

Special Demonstration Projects

This category includes projects that demonstrate and facilitate the development and commercialization of innovative renewable energy products, technologies, technology applications, and processes as well as emerging energy-efficient technologies¹. These projects must be designed to focus on market building and technology deployment strategies as opposed to traditional research and development activities. Projects should also include the following: a technical and economic analysis of the technology application or demonstration; expected project impact on the near-term commercialization of this technology; and dissemination of project information to potential users of the technology².

The maximum grant award for this category is \$250,000 and requires a 50% match, no more than 25% of which can be in-kind match. Projects should be completed within 2 years of award. **A Grantee must receive their Certificate of Public Good (CPG), if required (or a FERC license, for hydropower projects, if required), from the Public Service Board before any invoices or costs incurred for the project will be reimbursed by the CEDF. For projects that don't require a CPG, the final 50% of the grant will be withheld until the system is installed and operational.** No more than 10% of a grant request may be for permitting-type activities. That 10% may be reimbursed prior to receipt of CPG/FERC license.

The grant may not be used to purchase used generating equipment, though the grant program may support upgrades of existing facilities with new equipment.

Special Demonstration Project Loans

Applicants can request both grants and loans from the CEDF as part of a complete project financing proposal through this RFP. **If the applicant seeks both grant and loan funds, then both applications must be submitted together under this RFP.** Loans may be requested in amounts from \$50,000 up to \$500,000 with a 10% cash cost share required. The complete

¹ Emerging energy-efficient technologies means technologies that are both pre-commercial but near commercialization and that have already entered the market but have less than five percent of current market share; that use less energy than existing technologies and practices to produce the same product or otherwise conserve energy and resources, regardless of whether or not they are connected to the grid; and that have additional non-energy benefits such as reduced environmental impact, improved productivity and worker safety, or reduced capital costs.

² Be aware that ARRA funds cannot be used for pre-commercialized technologies. Thus, only state CEDF funds are available for these projects.

CDEF loan application with instructions and loan program brochure may be accessed online at: http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html.

INFORMATION REQUIRED FROM APPLICANTS

Proposals should be prepared simply and economically, providing a straightforward, concise description of the applicant's ability to meet the requirements of the RFP. Fancy bindings, colored displays, promotional materials, and so forth are not desired. Emphasis should be on completeness and clarity of content. Information in the applicant's proposal that should be held confidential must be clearly marked as confidential and comply with an exemption from public inspection as per 1 V.S.A. § 317(c) (available online at: <http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=01&Chapter=005&Section=00317>). It is not acceptable to mark the entire proposal as confidential.

Grant proposals should be no longer than 15 pages, with no less than an 11-point font and one-inch margins. Resumes, letters of support, the Cover Page, and the Budget Worksheet, plus completed feasibility studies, **do not** count toward the 15-page limit. Other information, such as site maps, pictures, etc., count towards the 15-page limit.

Proposals must include at minimum the following information:

Cover Page

Applicants must complete the Cover Page included as Attachment 1 of this RFP and attach it to the front of the submitted proposal. Below are explanations of the information required on the Cover Page. This Cover Page is available as a separate document with form fields at http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html or can be obtained from the fund manager (andrew.perchlik@state.vt.us). The following section explains the information required for the Cover Page.

1. Project Title

Provide a descriptive title for the project.

2. Project Category

State which project category (*Pre-Project Financial Assistance, Small-Scale System, Large-Scale System, Community-Scale System, Special Demonstration Project*) you are applying under.

3. Project Summary

Provide a short paragraph describing the essential elements of your project.

4. Identification of Applicant Organization

State the full name and address of the organization. Also list the main contact and his or her contact information. This person should also be listed as an Authorized Negotiator below.

5. Identification of Subcontractors

If applicable, list any subcontractors that will perform, or assist in performing, the work, including their name, address, and contact information.

6. Authorized Negotiator(s)

Include the name, phone number, and email address for individuals authorized to negotiate any and all aspects of the proposed grant with the State and/or Clean Energy Development Fund.

One original hard copy of the proposal must be signed by a duly authorized representative of the party (or parties) submitting the proposal.

7.a. Electrical Output (not required for Pre-Project Financial Assistance applications):

Maximum installed generator capacity (kW; for solar, use the DC rating):

Expected actual maximum capacity (kW; for solar, use the AC rating):

Projected Annual kWh:

Capacity factor:

Fuel Type:

7.b. Thermal Output (not required for Pre-Project Financial Assistance applications):

(For CHP and thermal-only projects)

Fuel type:

Maximum heat delivery rate (Btu/hour):

Expected heat delivery rate (Btu/hour):

Expected annual Btus delivered:

Capacity factor:

Estimated CO₂ emission rate (in lbs/MMBtu of heat input):

Thermal source this project will displace (e.g., oil-fueled boiler) and an estimate of the CO₂ emission rate (lbs/mmBtu of heat input) of the displaced thermal source:

7.c. Geothermal Capacity (not required for Pre-Project Financial Assistance applications):

Describe your system (i.e., open loop/closed loop; water source/ground source; if water source, ground water/surface water):

Describe the length and depth of circulating loops:

Maximum heating/cooling capacity of heat pump (tons):

Ratio of equipment cost to installation cost:

Is the system Energy Star rated?

Has soil conductivity been assessed, and if so, what are the values?

Expected annual Btu of heating/cooling delivered:

Expected annual kWh consumed:

8. Energy Efficiency/Savings Aspects of Project:

Efficiency rating of installed equipment (if applicable):

Efficiency of fuel consumption (if applicable):

Efficiency measures already taken:

Efficiency measures to be taken:

Expected annual energy savings (kWh or Btu):

Amount of greenhouse gases reduced (CO₂ equivalents):

Amount of criteria air pollutants reduced (tons):

9. Expected Interconnection Date (not required for Pre-Project Financial Assistance applications)

Applicants must provide an estimate of when they expect to apply for and receive their Certificate of Public Good from the Public Service Board or their FERC license or exemption.

10. Estimated Project Life (not required for Pre-Project Financial Assistance applications)

Applicants must provide a project lifespan estimate, either from the equipment warranty information or a reasonable estimation based upon similar installations.

11. Total Project Costs

Applicants must include the **total** project costs (this should also be included in the budget).

12. CEDF Funds Requested

Applicants must specify the amount of funds they are requesting from the CEDF towards their project. If the applicant is seeking grant and loan funds, specify how much is requested under each category and the total amount.

13. Estimated Payback Time (not required for Pre-Project Financial Assistance applications)

Applicants must provide an estimate of the project's payback period, in years, both with and without CEDF funding. Please show your calculations.

14. Federal Funds Questionnaire:

The Clean Energy Development Fund may allocate American Reinvestment and Recovery Act (ARRA) funding to any grant, at its discretion. A grantee awarded federal funding must be registered in Central Contractor Registration (CCR) and have a DUNS number in order to receive a grant agreement. This process can take a long time, so applicants should be preparing now. To obtain a number, call 1-866-705-5711 or visit <http://www.dnb.com/us/>. Projects awarded federal funds must adhere to federal requirements, including a preliminary National Environmental Policy Act (NEPA) review, if required (checklist may be viewed at <https://www.eere-pmc.energy.gov/NEPA.asp>), auditing, and reporting. A list of potential reporting requirements and funding limitations may be found at http://apps1.eere.energy.gov/wip/pdfs/sep_arra_foa.pdf in section 10.3A, as well as at <http://edocket.access.gpo.gov/2009/pdf/E9-9073.pdf> (see especially for Buy American and Davis-Bacon wage requirements), and in the ARRA terms and conditions appended to the end of this solicitation. Please answer the following:

-Are you registered with CCR, and do you have a DUNS number?

-If yes, what is the number?

-If no, will you be able to apply for a number before a grant agreement is issued?

-Jobs you expect this project will retain (number, type, duration):

-Jobs you expect this project will create (number, type, duration):

15. Signature:

Please sign below to indicate you have read and acknowledge all of the conditions of this request for proposals, and that, to the best of your knowledge, the information you have supplied is accurate.

Personnel

Applicants shall have demonstrable knowledge, skills, and experience as it relates to the required work. Proposals should include a description of the applicant's prior experience in all areas relevant to the project. The proposal must identify all persons that will be employed in the proposed work by skill and qualifications. Identify key personnel by name and title and provide a resume for each (resumes **do not** count toward the 15-page limit). Subcontractors must be listed, including the firm name and address and contact person (on the cover page as well), and complete description of work to be subcontracted. Include descriptive information concerning subcontractor's organization and abilities.

Work Plan

Describe in narrative form the plan for accomplishing the work required to complete the project. Indicate the number of hours allocated to each task and which staff member(s) will complete the

tasks. Include a time-related chart showing each event, task, and decision point in the work plan. Also describe the plan for project oversight, quality assurance measures, and financial management and which staff member(s) will have this responsibility. Include a list of all permitting requirements for the project and whether any of the permits have been obtained. Identify whether any pre-development activities, including feasibility studies, have been completed for the project. Any necessary preliminary feasibility studies and/or resource assessments should be completed prior to applications for funding under the Large-Scale Systems or the Community-Scale Systems category. Solar projects do not need to supply feasibility studies but should include a PV Watts (or equivalent) report for the project site. Large-Scale or Community-Scale wind generation projects must supply at least one year of completed anemometry study.

Potential Energy Generation

Applicants should use this section to provide a brief description of any assumptions used in Sections 7, 8, 10, and 13 on the cover page.

Environmental, Economic, & Societal Impact

Applicants should describe the specific environmental, economic, and societal benefits created through support of the project such as: the reduction in carbon dioxide and other greenhouse gas emissions and air pollutants; reduction of fossil fuel use; number of existing jobs retained; and the number of new jobs created (both temporary and permanent). Applicants should be prepared to provide the calculations used for these estimates upon request. The U.S. EPA's Greenhouse Gas Equivalency Calculator may be used to provide an estimate of renewable electricity production project emissions reductions for the purposes of this section (available at: www.epa.gov/cleanenergy/energy-resources/calculator.html). Combined heat and power projects may use the calculator available at: www.epa.gov/chp/documents/chp_emissions_calc.xls.

Installations at residential and commercial buildings must certify that the building has met required state energy codes. Applicants should also describe any high-performance or beyond code energy efficiency improvements that have been made or will be made in the buildings.

Budget Considerations

Applicants must submit a proposed budget for the project and include narrative explanations. A budget worksheet that may be used by applicants is available at: http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html or can be obtained from the fund manager (andrew.perchlik@state.vt.us). The following cost elements should be included:

- Personnel (position, rate, hours)
- Travel (mileage can not exceed the prevailing state rate at the time of travel)
- Supplies & Materials
- Equipment
- Other (specify)
- Total Direct Costs
- Indirect Costs (may not exceed 23.64% of direct costs)
- BUDGET TOTAL

The budget must also include the applicant's cash and in-kind match for the project. For each cost element, the applicant must show what portion will be paid with CEDF funds and what portion will be paid with matching funds (designating cash versus in-kind match). There is a

maximum award of \$75,000 for *Pre-Project Financial Assistance*, \$50,000 for *Small-Scale Systems*, \$250,000 for *Large-Scale Systems* and *Special Demonstration Projects*, and \$500,000 for *Community-Scale Projects*.

Pre-Project Financial Assistance projects require a 20% cash match from applicants for projects requesting up to \$25,000 and a 50% cash match for projects requesting \$25,001 to \$75,000, no more than 25% of which can be in-kind match. *Small-Scale Projects* require a 75% cash match. All other projects require a 50% match, no more than 25% of which can be in-kind match. For example: If the total project cost for a large-scale system project is \$400,000, no more than \$200,000 can be requested in funding from the CEDF, and the remaining \$200,000 must be met through match, with no more than \$50,000 from in-kind match.

For this grant solicitation, applicants' time/labor committed to the project is considered in-kind match. Subcontractors/third party **donated** labor/services, equipment, and materials would also be considered in-kind match.

All match (both cash and in-kind) must be necessary for the accomplishment of project objectives and must be applicable to the grant period (i.e., cash or time previously spent on the project cannot be used as match). All match must be documented and verifiable. Match greater than the required amounts is encouraged.

Applicants that seek grant and loan funds as part of a finance package must submit their loan application and grant proposal together. Loans may be requested in amounts from \$50,000 up to \$500,000 with a 10% cash cost share required. Applicants requesting loans as part of their application must specify in their budgets which expenses will be covered by grant funds and loan funds.

The CEDF will expect to share in any cost savings realized by the selected applicant. Therefore, the CEDF's final share of each line item expenditure will be paid out at the proportionate rate of participation as established by that line item in the grant budget and/or any approved amendment to the budget.

Additional Information

Include any other information that is believed to be pertinent, but not specifically requested elsewhere in this RFP.

SELECTION CRITERIA

All proposals are subject to an evaluation by the DPS, the CEDF Director, the CEDF Board, and any other reviewers deemed necessary. The Board reserves the right (but in no way is obligated) to interview the top prospective candidates to aid in the selection process.

The CEDF Board will evaluate all proposals received based upon how well the project meets the goals of the CEDF, qualifications of the individuals proposed to perform the work, relevance of previous experience, completeness and quality of the proposal, reasonableness of cost, and any other criteria it deems relevant. Acceptance or rejection of any or all proposals will be at the sole discretion of the CEDF Board.

The decision whether to award a grant or not will be made based upon the information provided in the grant application. The applications will be scored by multiple reviewers to provide a basis

for judging how a project application matches up against the evaluation criteria listed below. Points will be assigned to the criteria as follows:

Maximum Points Possible = 210

1. (50 points)

Project supports the CEDF's primary goal of maximizing cost-effective and environmentally sustainable clean energy generation

- The more energy generated the higher the score
- The more energy generated per grant \$ the higher the score

Project supports one or more other CEDF goals

- Accelerate economic development for the clean energy sector in Vermont
 - Jobs retained and created
 - Creation of new businesses
 - Increase of business revenue that will cycle within VT
 - Support and/or development of the clean energy industry/sector
- Leverage funding for clean energy development in Vermont
 - The more funds are leveraged the higher the score
- Contribute to the knowledge base and infrastructure for a clean energy future in Vermont
 - Education and training of sector workforce
 - Potential for public visibility/education and plan for promoting the site/project
- Promote the development of new energy efficient technologies

2. (40 points)

Work Plan and Budget

- Clarity and reasonableness of work plan, including definition and timeliness of tasks to be performed
- Plan and capacity for project control and financial management are clear and reasonable (including a strategy to implement, operate, monitor, and evaluate the project)

Budget

- Budget line items and amounts are sufficiently described and justified to explain the necessity of each item
- Costs are reasonable and competitive
- The need for financial assistance is well established/justified

3. (10 Points)

Project Characteristics (10 points)

- Suitability of the site for the proposed project(s)
- Project risks (for ex. permitting) are relative to similar proposed projects
- Potential for replicability (the degree to which the project provides lessons/improvements applicable to other projects)

4. (0 to 5 points)

Desirable Project Characteristics

- Project benefits public buildings

- Applicant has maximized efficiency at the project site prior to implementation of renewable energy, if applicable
- Project includes a sustainable biomass fuel sourcing plan, if applicable
- Project delivers electric generation to the Vermont grid in transmission constrained locations (requires supporting statement from local utility or VELCO)

5. **Experience & Qualifications** (multiplies total score by 1, 1.5, or 2)

- Knowledge and experience in the relevant project area, including successful experience with similar projects
- Demonstrated ability to complete project on time and on budget
- Adequate capacity/staffing for the described work and ARRA reporting requirements, if applicable
- Previous experience with state and/or federal grants/contracts.

GENERAL TERMS AND CONDITIONS

1. The CEDF reserves the right to reject any and all proposals received as a result of this RFP for any reason, to waive minor irregularities in any proposals received, and to negotiate with any party in any manner deemed necessary to best serve the interests of the State.
2. The CEDF shall not be responsible for any costs incurred by any party in preparation of any proposal submitted in response to this RFP.
3. The CEDF reserves the right to amend or cancel this RFP at any time if the best interest of the State requires such action.
4. News releases pertaining to this RFP, grant award, or the project shall not be made without prior written approval from the CEDF.
5. All parties submitting proposals shall be Equal Opportunity Employers. During the duration of the performance of this contract, the contractor will be expected to comply with all federal, state and local laws respecting non-discrimination in employment.
6. The CEDF will pay for actual work performed and expenses incurred under this project up to the specified grant amount. Specific payment provisions will be arrived at upon mutual agreement of the parties. All payments will require the submission of an itemized billing of work performed to date in sufficient detail to justify payment.
7. In most instances, the grant payments made under this program will be treated as taxable income by the IRS and the State of Vermont. It is the responsibility of the recipient of this grant payment to consult with their tax advisor to determine the correct treatment of this payment for Federal and State tax purposes.
8. If a selected applicant receives a Vermont Business Solar Tax Credit, pursuant to 32 V.S.A. § 5930z or 32 V.S.A. § 5822(d) from the State of Vermont for their project, they shall remit the equivalent dollar amount of the tax credit to the State of Vermont for use by the Clean Energy Development Fund.
9. The selected applicants shall agree to grant to the State a nonexclusive, irrevocable license to reproduce, translate, publish, use, and dispose of all material developed as a

result of this project. The selected applicants further shall agree that they will not copyright any material developed as a result of the project.

10. Before commencing work on this project, a Grantee must have a Grant Agreement in place with the State. Before a Grant Agreement will be issued, the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations
Products and Completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 per Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$ 50,000 Fire/ Legal/Liability

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

11. The CEDF and the State assume no liability in any fashion with respect to this RFP or any matters related thereto. All prospective contractors and their subcontractors or successors, by their participation in the RFP process, shall indemnify, save and hold the State and its employees and agents free and harmless from all lawsuits, causes of action, debts, rights, judgments, claims, demands, damages, losses and expenses or whatsoever kind in law or equity, known and unknown, foreseen and unforeseen, arising from or out of this RFP and/or any subsequent acts related thereto, including but not limited to the recommendation of a contractor and any action brought by an unsuccessful applicant.

12. All grant funds dispersed from the American Recovery and Reinvestment Act (ARRA) are subject to all requirements of the ARRA including reporting requirements, purchasing requirements, auditing requirements, requirements for administration of funds received, and requirements for transparency and accountability. Please review the bulletins and forms available at: <http://finance.vermont.gov/forms> for the latest guidance.
13. All grant awards are subject to the availability of funding.

MONITORING AND REPORTING

Reporting is REQUIRED under this agreement. Reporting elements are still being refined and additional information may be required. Reporting will include quarterly progress as well as annual and/or final reporting, and (if required) Property Certification, and (if required) Annual Indirect Cost Proposal and Reconciliation.

Not later than ten calendar days after the end of each calendar quarter, the State must submit a report to the federal government that, at a minimum, contains the information specified in Section 1512 of the ARRA. It is imperative that the Grantee supply the State with the necessary information so that the State can provide these reports in a timely manner.

Periodic reports, certified by an authorized agent of the Party, utilizing the form(s) provided by the State of Vermont, shall be submitted as required. Failure to submit timely, accurate and fully executed reports shall constitute an "Event of Default" and will result in a mandate to return the funds already disbursed under this agreement, and/or the withholding of current and future payments under this agreement until such time as the reporting irregularities are resolved to the State's satisfaction.

Quarterly and annual project reports will include expenditures and also specific activities and achievements. These items tend to be outputs (actions taken by grant recipients) but also include some short-term outcomes (results achieved relatively soon after project outputs occur that lead toward attainment of ultimate project objectives). Grantees will be expected to report their achievements in terms of the specified metrics presented below. The metrics are designed to track the accomplishments of projects funded by ARRA.

- Number, type and duration of jobs created and/or retained
- Energy savings (kWh/therms/gallons/Btus/etc.)
- Renewable energy generating capacity (kW/MW) and generation (kWh, MWh)
- GHG emissions reductions (CO₂ equivalents)
- Cost savings

Accurate records should be kept on project expenditures for all ARRA and non-ARRA grant funds. Grant recipients that receive ARRA funding will need to account for them separately. The specific information to be gathered and tracked is listed below and will be the same for all projects:

- Expenditures for project activities
- Expenditures for administration
- Expenditures for evaluation
- Leveraged funds

Quarterly and annual project reports will also include items such as cost status, schedule status, personnel changes, actual or anticipated project delays or changes, specific ARRA compliance such as Davis-Bacon and Buy American (if awarded ARRA funds), a narrative description of specific activities and achievements that resulted from the award of funds and other items.

Grant recipients will be presented with reporting requirements at the time they receive funding.