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THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Amy L. Ignatius

COMMISSIONERS
Michael D. Harrington
Robert R. Scott

EXECUTIVE DIRECTOR
Debra A. Howland



PUBLIC UTILITIES COMMISSION
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Concord, N.H. 03301-2429

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1-800-735-2964

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December 5, 2013

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, NH 03301

Her Excellency and Honorable Councilors:

REQUESTED ACTION

Authorize the New Hampshire Public Utilities Commission (Commission) to award grant funds in the amount of \$150,000.00 to Historic Harrisville, Inc., Vendor #255071, to install and operate a central biomass heating system at Cheshire Mills in Harrisville, NH, from the date of Governor and Council approval through December 31, 2014. Funding is 100% Renewable Energy Fund (REF), a non-lapsing special fund continually appropriated to the commission pursuant to RSA 362-F:10.

Funding is authorized from the account "Grants to Institutions – State" as follows, with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office if needed and justified:

02-81-81-811010-54540000 Renewable Portfolio Standard 362-F:10

	FY2014	FY2015	Total
010-081-54540000-073-500579			
Grants to Institutions – State	\$130,000.00	\$20,000.00	\$150,000.00

EXPLANATION

Pursuant to RSA 362-F:10, the Commission is charged with administering the Renewable Energy Fund (REF), the purpose of which is to support thermal and electric renewable energy initiatives.

The Commission issued a Request for Proposals (RFP) on May 6, 2013, for renewable energy projects in the commercial and industrial sectors. The RFP was developed in consultation with the state's Energy Efficiency and Sustainable Energy Board, other state agencies, and stakeholders in the renewable energy sector. The RFP is

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funded with monies from the REF pursuant to RSA 362-F:10 and issued pursuant to legislation passed in 2010, HB 1270, stating that the PUC shall issue requests for proposals annually for renewable energy projects in the commercial and industrial sectors.

The Commission received thirty-five proposals requesting a total of \$21 million in funds in response to the RFP. Historic Harrisville, Inc. and nine others have been selected to receive a total of \$3,812,980.00 in this funding round. Attachment A provides additional information on the grant review and award process.

With these funds, Historic Harrisville, Inc. will install and operate a central biomass heating system, including three wood pellet boilers, a thermal storage buffer tank and a pellet storage silo at the historic Cheshire Mills. Historic Harrisville, Inc. estimates the new system will lower fuel costs by about 50 percent.

The REF grant will be leveraged by funds obtained through a capital campaign. In conjunction with this biomass project, Historic Harrisville, Inc. will also take advantage of the hydropower on the Nubanusit Brook to provide electricity for the Cheshire Mills complex. These renewable energy projects will help Historic Harrisville, Inc. continue its commitment to rehabilitate this National Historic Landmark, preserve the village and attract new businesses, people and jobs for the local community, and generate 2,291 RECs per year in furtherance of New Hampshire's Renewable Portfolio Standards (RPS) goals.

The grant is contingent on sufficient REF funds being available upon the effective date of the grant agreement. These funds have already been allocated to this RFP round, and are being held in the fund. In the event that the REF funds are insufficient or are no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Amy L. Ignatius
Chairman

Attachments:
Agreement with Exhibits
Bidding Information

ATTACHMENT A - GRANT REVIEW PROCESS

The PUC issued a Request for Proposals (RFP) on May 6, 2013 for thermal or electric renewable energy projects in the commercial and industrial sectors, which include non-residential facilities, such as municipal buildings, schools, non-profit institutions, hospitals, universities, and commercial entities, and industrial facilities. The RFP was similar to those issued in previous years except that this RFP required that the project create renewable energy certificates, which would be available for use by electricity providers for compliance with the renewable portfolio standard requirements in New Hampshire. Pursuant to RSA 362-F:10, the RFP is funded with monies from the Renewable Energy Fund and issued on an annual basis.

The RFP was circulated electronically to the twenty-five members of the Energy Efficiency and Sustainable Energy Board (EESB Board), as well as 178 additional stakeholders known to have an interest in energy policy and programs, and the NH Municipal Association. The RFP was posted on the PUC website for the full submission period, and advertised in the New Hampshire Union Leader on May 8, 9, and 10, 2013. All responses were due by June 7, 2013. The Commission received 35 proposals requesting a total of \$21 million in funds for projects with a combined price tag of \$185 million.

The PUC employed a two-tier grant review process to evaluate the proposals. The initial review team consisted of four members including Rebecca Ohler (Air Resources Division, DES), Brandy Chambers (Office of Energy and Planning), and Jack Ruderman and Elizabeth Nixon (Sustainable Energy Division, PUC). The second tier review team consisted of the three-member Commission, Chairman Amy Ignatius, and Commissioners Robert Scott and Michael Harrington.

The initial review team evaluated all proposals using nine criteria set forth in NH Code of Administrative Rules Puc 2507:03 (b) and (c). Following an initial round of screening, the team interviewed 18 applicants. The team scored all proposals using a pre-published publically available scoring sheet ranging in possible points from 0-100, and provided written comments highlighting the pros and cons of each proposal. The evaluations also provided a recommendation to the Commission as to whether each program should receive funding.

The initial review team met with the Commissioners to brief them on the committee's recommendations. The Commissioners were provided with copies of the written evaluation forms and had an opportunity to ask questions of members of the initial review team. Subsequently, the Commissioners met to deliberate on the review team's recommendations and their own assessment of the proposals. The Commission subsequently chose to award grant funds for 10 renewable energy projects totaling \$3,812,980.

Proposed Renewable Energy Projects Competitive Grant Awards 2013

Applicant	Town	Technology (Capacity)	Proposed Grant (\$)	Total Project Costs	Cost- Effectiveness (Grant \$/REC)	Contract End Date
Fiske Hydro Inc.	Hinsdale	Hydro (375 kW)	\$ 225,000	\$ 362,000	134	12/31/2015
Northwoods Renewables LLC (Golden Pond Hydro)	Ashland	Hydro (125 kW)	\$ 125,000	\$ 227,225	164	6/30/2015
Xylogen LLC (High Mowing School District Heating)	Wilton	Biomass Thermal (2.2 MMBtu/hr)	\$ 200,000	\$ 525,000	196	6/30/2015
Historic Harrisville, Inc. (Cheshire Mills Boilers)	Harrisville	Biomass Thermal (1.05 MMBtu/hr)	\$ 150,000	\$ 231,185	65	12/31/2014
Holderness School Biomass District Heating	Holderness	Biomass Thermal (4.02 MMBtu/hr)	\$ 300,000	\$ 3,950,000	66	12/31/2015
Boilers at two public schools	*	Biomass Thermal (600 kW)	\$ 100,000	\$ 492,000	66	TBD
Jericho Power LLC	Berlin	Wind (8.55 MW)	\$ 1,000,000	\$ 20,048,000	46	12/31/2015
Pierce Solar LLC (Franklin Pierce University)	Rindge	Solar (192 kW)	\$ 175,000	\$ 625,000	792	12/31/2014
Plymouth Area Renewable Energy Initiative (Plymouth Village Water and Sewer District)	Plymouth	Solar (119.4 kW)	\$ 317,980	\$ 427,980	2429	12/31/2014
Solar System at Town Wastewater Treatment Facility	*	Solar (947 kW)	\$ 1,220,000	\$ 2,626,495	1043	TBD
TOTAL			\$ 3,812,980	\$ 29,514,885		

* Contract documents for the two projects marked * are not yet complete, so further identifying detail has not been provided.

Blue indicates hydro.

Orange indicates biomass.

Green indicates wind.

Yellow indicates solar.

HISTORIC HARRISVILLE, INC **BIOMASS BOILER SYSTEM**

KEY FACTS AND FIGURES

PROJECT DESCRIPTION

Historic Harrisville, Inc. will install and operate a biomass boiler system consisting of three biomass boilers and a buffer tank at Cheshire Mills Complex in Harrisville, NH. The historic mill will return to an updated version of the original heating technology – wood-fired boilers which were used during the first 50 years of the mills' operation.

COST-EFFECTIVENESS:¹ \$65/REC

COSTS

Grant amount:	\$150,000
Project cost:	\$231,185
Leveraged funds:	\$81,185
Payback period: ²	6.0 years (Total project costs) 2.1 years (Grantee's costs)

SAVINGS

Cost savings:	\$38,556/year
Energy savings:	18,900 gallons per year of fuel oil
CO ₂ avoided:	180 tons/year

RENEWABLE PORTFOLIO STANDARD (RPS) BENEFITS³

Project will generate 2291 Class I thermal renewable energy certificates (RECs) per year

OTHER BENEFITS

- Generates income for landowners, loggers, truckers and others in forest products industry
- Reduces energy costs by about 50%
- Attracts additional customers and businesses to the historic mill

¹ The PUC used the cost of the grant per the number of renewable energy certificates (RECs) created in the first year of energy production as a key criterion in choosing grantees.

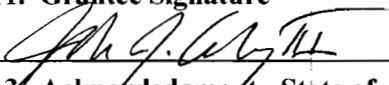
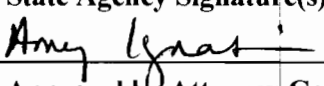
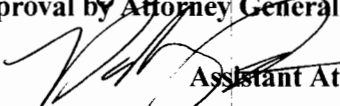
² Simple payback calculated based only on project costs (or leveraged funds) and fuel savings or generation revenue for ease of comparison among all the projects.

³ The state's Renewable Portfolio Standard Law, RSA 362-F, requires electricity suppliers to acquire a portion of their electricity from renewable energy sources. Compliance is achieved through the purchase of renewable energy certificates (RECs). Increasing the supply of RECs helps to reduce RPS compliance costs.

The State of New Hampshire and the Grantee hereby mutually agree as follows:

GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name Public Utilities Commission		1.2. State Agency Address 21 South Fruit St., Concord, NH 03301	
1.3. Grantee Name Historic Harrisville, Inc.		1.4. Grantee Address P.O. Box 79, Harrisville, NH 03450	
1.5. Effective Date 12/20/2013	1.6 Completion Date 12/31/2014	1.7. Audit Date N/A	1.8. Grant Limitation \$150,000.00
1.9. Grant Officer for State Agency Jack Ruderman		1.10. State Agency Telephone No. (608) 271-2431	
1.11. Grantee Signature 		1.12. Name & Title of Grantee Signor John J. Colony II, Chairman	
1.13. Acknowledgment: State of _____, County of _____, on _____ I, _____, Before the undersigned officer, personally appeared the person identified in block 1.11., known to me (or satisfactorily proven) to be the person whose name is signed in block 1.12., and acknowledged that he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace (Seal) 			
1.13.2. Name and Title of Notary Public or Justice of the Peace Robert M. Collinsworth			
1.14. State Agency Signature(s) 		1.15. Name & Title of State Agency Signor(s) Amy Ignatius, Chairman	
1.16. Approval by Attorney General (Form, Substance and Execution) By:  Assistant Attorney General, On: 12/13			
1.17. Approval by the Governor and Council On: / /			

2. **SCOPE OF WORK:** In exchange for grant funds provided by the State of New Hampshire, acting through the agency identified in block 1.1 (hereinafter referred to as "the State"), the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT A (the scope of work being hereinafter referred to as "the Project"). Except as otherwise specifically provided for herein, the Grantee shall perform the Project in the State of New Hampshire.

3. EFFECTIVE DATE; COMPLETION OF PROJECT.

3.1. This Agreement, and all obligations of the parties hereunder, shall become effective on the date in block 1.5 or on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire whichever is later (hereinafter referred to as "the effective date").

3.2. Except as otherwise specifically provided for herein, the Project, including all reports required by this Agreement, shall be completed in its entirety prior to the date in block 1.6 (hereinafter referred to as "the Completion Date").

4. GRANT AMOUNT; MANNER OF PAYMENT; LIMITATIONS.

4.1. The Grant Amount is identified and more particularly described in EXHIBIT B, attached hereto.

4.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT B.

4.3. In accordance with the provisions set forth in EXHIBIT B, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 4.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.

4.4. The payment by the State of the Grant amount shall be the only, and the complete payment to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.

4.5. Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.

5. SPECIAL CONDITIONS. Modifications to these General Conditions and any additional grant conditions shall be set forth in Exhibit C attached hereto.

6. COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS. In connection with the performance of the Project, the Grantee shall comply with all applicable statutes, regulations, and orders of federal, state, county, or municipal authorities that impose any legal obligations or duty upon the Grantee, including the acquisition of any and all necessary permits.

7. RECORDS AND ACCOUNTS.

7.1. Between the Effective Date and the date seven (7) years after the Completion Date the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.

7.2. Between the Effective Date and the date seven (7) years after the Completion Date, at any time during the Grantee's normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, "Grantee" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these general provisions.

8. PERSONNEL.

8.1. The Grantee shall, at its own expense, contract for or provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.

8.2. The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform the Project, to hire any person who is a State officer or employee, elected or appointed.

8.3. The Grant Officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.

9. DATA; RETENTION OF DATA; ACCESS.

9.1. As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs or data, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2. Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever.

9.3. No data shall be subject to copyright in the United States or any other country by anyone other than the State, unless otherwise specified in Exhibit C.

10. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.

11. EVENT OF DEFAULT; REMEDIES.

11.1. Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

11.1.1. failure to perform the Project satisfactorily or on schedule; or

11.1.2. failure to submit any report required hereunder; or

11.1.3. failure to maintain, or permit access to, the records required hereunder; or

11.1.4. failure to perform any of the other covenants and conditions of this Agreement.

11.2. Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

11.2.1. give the Grantee a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and

11.2.2. give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and

11.2.3. set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and

11.2.4. treat the agreement as breached and pursue any of its remedies at law or in equity, or both.

12. TERMINATION.

12.1. In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the "Termination Report") describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.

12.2. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.

12.3. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder.

12.4. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.

13. CONFLICT OF INTEREST. No representative, officer, member or employee of the Grantee, and no representative, officer or employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.

14. GRANTEE'S RELATION TO THE STATE. In the performance of this Agreement the Grantee, its employees, and any contractor, subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its representatives, officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, worker's compensation or emoluments provided by the State to its employees.

15. ASSIGNMENT AND SUBCONTRACTS. The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State.

16. INDEMNIFICATION. The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses

Initials AGC
Date 11/18/13

suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee or its contractors, subcontractor, or subgrantee or other agent of the Grantee in the performance of the Project. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.

17. INSURANCE AND BOND.

17.1. The Grantee shall, at its sole expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:

17.1.1 statutory worker's compensation and employees liability insurance for all employees engaged in the performance of the Project, and

17.1.2 comprehensive general liability insurance for all claims of bodily injuries, death or property damage, in amounts not less than \$2,000,000 for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and

17.2 The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than ten (10) days after written notice thereof has been received by the State. A certificate of insurance demonstrating compliance with subparagraphs 17.1 and 17.2 shall be attached to this Grant Agreement.

18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure or waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.

19. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.

20. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire.

21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intent of the parties hereto.

22. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

23. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

Initials
Date

AKC
4/18/13

EXHIBIT A

SCOPE OF SERVICES

In exchange for receiving grant funds in the amount of \$150,000 from the New Hampshire Public Utilities Commission (PUC), Historic Harrisville, Inc. (Historic Harrisville or Grantee) agrees to install and operate a biomass boiler system consisting of three biomass boilers and a buffer tank at Cheshire Mills Complex located at 69 Main Street, Harrisville, NH. Specifically, Historic Harrisville agrees to:

1. Install, own and operate a biomass boiler system consisting of three wood pellet boilers and a buffer tank at Cheshire Mills Complex located at 69 Main Street, Harrisville, NH.
2. Maintain the system and system components as recommended by the manufacturers and engineering specifications.
3. Provide the PUC with reports as specified below in the section regarding "Deliverables."
4. Submit an application to the PUC for the biomass boiler systems to become eligible to produce renewable energy certificates (RECs).
5. Market the RECs to electricity providers in New Hampshire for compliance with the state's renewable portfolio standard law, RSA 362-F.

Except as otherwise provided in this contract, the requirements set forth in the PUC's Request for Proposal dated May 6, 2013 and Grantee's Proposal dated June 7, 2013, are incorporated herein by reference as further defining the services to be rendered.

DELIVERABLES

The Grantee agrees to prepare and submit progress reports to the PUC, in a form and manner prescribed by the PUC. The first report will cover activities related to project design, development and construction up through June 30, 2014 with the first report due August 1, 2014. The second report will cover the period from July 1, 2014 through December 31, 2014 with the report due February 1, 2015. All reports thereafter will be due on February 1st after the end of the preceding calendar year continuing throughout the life of the project, or at minimum ten (10) years. Any activities or benefits that occurred as a result of the grant not included in the scope of services should also be noted. All reports submitted after the installation and operation of the biomass boiler will include the following:

1. The amount of biomass combusted (in tons) in the preceding calendar year;
2. The amount of energy produced (in British thermal units) in the preceding calendar year;
3. The amount of RECs produced (in megawatt-hours) in the preceding calendar year; and
4. The amount of RECs sold (in megawatt-hours) in the preceding calendar year.

Grantee Initials
Date

[Signature]
11/18/13
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EXHIBIT B

GRANT AMOUNT, TERMS AND METHODS OF PAYMENT

1. This grant agreement commences upon approval by Governor and Council and concludes on December 31, 2014.
2. In consideration of the satisfactory performance of the obligations described in Exhibit A as determined by the State, the State agrees to pay Historic Harrisville, Inc. an amount not to exceed \$150,000.
3. Grantee may invoice the PUC as obligations described in Exhibit A have been met but not to exceed once a month. An amount of \$5,000 shall be retained by the PUC until the project begins operation. Grantee is responsible for any expenses incurred that exceed the total grant amount.
4. Each invoice shall provide a detailed listing of expenses incurred. The basis for the invoices generated to the PUC shall reflect reimbursable transactions. Grantee will document expense transactions with appropriate back up, including, but not limited to, receipts, invoices, bills and other similar documents for all project partners, contractors and subcontractors. This includes expenses incurred by sub-contractors employed on construction projects funded through the grant. At a minimum, receipts must be provided documenting labor cost, labor overhead, material cost, material overhead, and capital expenditures for all partners, contractors and subcontractors.
5. Invoices will be reviewed for compliance with the scope of services set forth in Exhibit A and approved by the Director of the Sustainable Energy Division or his designee.
6. Grantee agrees to provide economic data, to the extent possible, for activity performed during the project and after completion of the project. Such data shall include the total jobs created from the project.
7. The State agrees to make payment to the Grantee within 30 days after the approval of invoices filed in compliance with this Exhibit and the grant agreement General Provisions.
8. All obligations of the State, including the continuance of any payments, are contingent on the availability of funds derived from the Renewable Energy Fund pursuant to RSA 362-F:10.

Grantee Initials
Date

HHI
7/18/13
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EXHIBIT C

SPECIAL PROVISIONS

1. In lieu of the insurance requirements set forth in Paragraph 17.1.2 of the General Provisions, the Commission will accept comprehensive general liability insurance in the following amounts:

\$1,000,000 for each occurrence

\$ 300,000 for damage to rented premises (each occurrence)

\$ 15,000 for medical expenses (for any one person)

\$1,000,000 for personal and advertising injury

\$2,000,000 for general aggregate

\$2,000,000 for product liability/completed operations in aggregate

Grantee Initials

Date

G&C Date

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11/11/13

(mm/dd/yy)

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State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that HISTORIC HARRISVILLE, INC. is a New Hampshire nonprofit corporation formed May 10, 1971. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 4th day of November A.D. 2013

A handwritten signature in cursive script, reading "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY/VOTE

Historic Harrisville, Inc.

I, Karen Tolman Karen Tolman, do hereby certify that:

1. I am the duly elected Clerk of Historic Harrisville, Inc.
2. That under Historic Harrisville's by-laws, the Chairman of Historic Harrisville, Inc. is authorized on behalf of this Corporation to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he may deem necessary, desirable or appropriate.
3. That the Chairman is authorized to enter into a grant with the State of New Hampshire, acting through its Public Utilities Commission, for the provision of installing and operating a biomass boiler system consisting of three biomass boilers and a buffer tank at the Cheshire Mills Complex, 69 Main St., Harrisville, NH.
4. John J. Colony III is the duly elected Chairman of Historic Harrisville, Inc.

Karen Tolman
(Signature of the Clerk of the Corporation)

STATE OF New Hampshire
County of Cheshire

The foregoing instrument was acknowledged before me this 21 day of November, 2013, by Julia Leno.
(Karen Tolman, Clerk of the Corporation)

(NOTARY SEAL)

Julia Leno
Notary Public / Justice of the Peace

Commission Expires: May 15, 2018

BY-LAWS OF HISTORIC HARRISVILLE INC

(Adopted April 12, 1971 by the Incorporators following the adoption of the Articles of Association)

Article I:

The membership of this Corporation shall consist of such persons not exceeding twenty-five at the time as shall be elected by the members of the corporation at the annual meeting of the corporation, or at any special meeting called for that purpose, or any adjournment thereof, to be known as Incorporators.

Article II: The officers of the corporation shall be a Chairman, Vice Chairman, Treasurer, Clerk and a Board of Trustees not to exceed nine in number, all of whom shall be incorporators. Any two or more offices may be filled by the same person.

The Trustees shall be elected at the annual meeting of the Incorporators and shall hold offices until the next annual meeting or until their successors are elected.

At their first meeting following the annual meeting of the incorporators, the Board of Trustees shall elect, from among the membership of the Board, a Chairman, Vice Chairman, Treasurer and Clerk, each of whom shall hold office for one year or until their successors are elected.

Vacancies in the Board of Trustees or in the officers of the corporation that may occur during the year may be filled by the remaining member of the Board of Trustees and the persons elected to fill such vacancies shall hold office until the next annual meeting of the incorporators or the next meeting of the Board of Trustees following the annual meeting of the Incorporators, as the case may be, or until their successors are elected.

Article III:

The Board of Trustees shall have the general care, management and control of the property of the corporation and its activities and affairs. The Board may appoint such committees and other officers as it may, from time to time, deem necessary.

The Chairman shall exercise general supervision and management of the affairs of the corporation, shall have all of the authority and powers of the Board of Trustees between meetings of the Board, shall preside at all meetings of the Board of Trustees and of the Incorporators, and perform all other duties of the office which may be prescribed by law or by vote of the Board of Trustees.

The Vice Chairman shall act as Chairman in the absence of the Chairman and shall perform such other duties as may be prescribed by vote of the Board of Trustees. When acting as Chairman, the Vice Chairman shall have all the powers and authority of the Chairman.

The Treasurer shall keep such records and perform such duties in connection with the financial affairs of the corporation as the Board of Trustees shall from time to time direct.

The Clerk shall keep a record of all meetings of the Board of Trustees and of the incorporators, shall give notice of all such meetings and shall perform such other duties as may be prescribed by law or by vote of the Board of Trustees.

Article IV:

The annual meeting of the Incorporators shall be held in the month of April in each year, the exact date of the meetings to be determined annually by the Board of Trustees, and the Clerk shall notify each incorporator by mailing to him a written notice at least three days before said meeting. Notice of special meetings, which may be called at any time by the Board of Trustees, shall be given in the same manner. Five incorporators shall constitute a quorum for the transaction of business.

The Trustees shall hold meetings at such times as may be determined by the Board from time to time and the Clerk shall notify each trustee of such meetings by mailing to him a written notice at least forty-eight hours before said meeting. Special meetings of the Board of Trustees may be called at any time by the Chairman, the Treasurer or any two Trustees and notice thereof shall be given by the Clerk in the same manner. A majority of the Board of Trustees shall constitute a quorum for the transaction of business.

Article V:

These By-Laws may be altered or amended at any meeting of the Corporation by a three-fourths vote of the members present, provided that notice of the proposed alteration or amendment has been mailed to each incorporator at least three days previous to the meeting at which such alteration or amendment is to be considered.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/21/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Bellows-Nichols Agency, Inc. 10 Main Street P. O. Box 299 Peterborough, NH 03458-0299	CONTACT NAME: PHONE (A/C, No, Ext): 603.924.7155 FAX (A/C, No): 603.924.9173 E-MAIL ADDRESS: PRODUCER CUSTOMER ID #:														
INSURED Historic Harrisville, Inc PO Box 79 Harrisville, NH 03450-0079	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A : Foremost Signature Ins Company</td> <td>41513</td> </tr> <tr> <td>INSURER B : Travelers Casualty Corp</td> <td></td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Foremost Signature Ins Company	41513	INSURER B : Travelers Casualty Corp		INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER F :															

COVERAGES **CERTIFICATE NUMBER: 13-14 Master** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			PPS41624322	12/10/2013	12/10/2014	EACH OCCURRENCE \$ 1,000,000
	☒ COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	☐ CLAIMS-MADE ☒ OCCUR						MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
							\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	☐ ANY AUTO						BODILY INJURY (Per person) \$
	☐ ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	☐ SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident) \$
	☐ HIRED AUTOS						\$
	☐ NON-OWNED AUTOS						\$
	UMBRELLA LIAB						EACH OCCURRENCE \$
	EXCESS LIAB						AGGREGATE \$
	DEDUCTIBLE						\$
	RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						☐ WC STATUTORY LIMITS ☐ OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	☐ Y/N	N/A				E L EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E L DISEASE - EA EMPLOYEE \$
							E L DISEASE - POLICY LIMIT \$
B	Directors & Officers			105519394	12/02/2013	12/02/2014	\$1,000,000 per Occurrence \$2500 Deductible

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

New Hampshire Public Utilities Commission 21 S Fruit Street Suite 10 Concord, NH 03301-2429	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Jane Farris
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