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COMMISSIONER  
Jared S. Chicoine

STATE OF NEW HAMPSHIRE

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DEPUTY COMMISSIONER  
Christopher J. Elms, Jr.



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DEPARTMENT OF ENERGY  
21 S. Fruit St., Suite 10  
Concord, N.H. 03301-2429

June 14, 2023

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
State House  
Concord, NH 03301

**REQUESTED ACTION**

Authorize the New Hampshire Department of Energy (Department) to award a grant to Sunapee School District, Sunapee, NH (VC# 159958) in the amount of \$400,000 to install a district heating plant that includes a Processed Dry Chip (PDC) biomass boiler. The boiler will offset the majority of the annual heating demand of the renovated Sunapee High School, effective upon Governor and Council approval through June 30, 2025. **100% Other (Renewable Energy Fund)**

Funding is available in account Renewable Energy Fund as follows:

	<u>FY2023</u>
02-52-52-520010-18900000-073-500579 – Grants Non-Federal	\$400,000

**EXPLANATION**

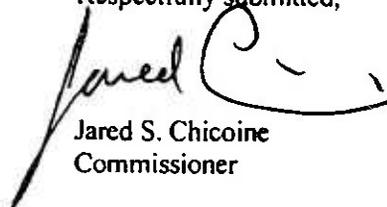
Pursuant to RSA 362-F:10, the Department is charged with administering the Renewable Energy Fund (REF), the purpose of which is to support thermal and electrical renewable energy initiatives. On November 3, 2022, the Department issued a Request for Proposals (RFP) #2022-004 pursuant to RSA 362-F:10, X. That statute requires the Department to issue, on an annual basis, an RFP for renewable energy projects in the nonresidential sector funded by grants from the REF.

The Department received three proposals requesting a total of \$1.2 million in funds in response to the RFP. Sunapee School District and one other proposal have been selected to receive a total of \$800,000 in this funding round. Additional information on the grant review and award process is provided along with a summary of all grant awards.

With these funds, Sunapee School District will install a PDC biomass boiler at Sunapee High School, as part of a larger energy efficiency project. It will increase the demand for processed dry wood chips by approximately 568 tons per year and will provide heating and cooling to each of the six buildings on the campus. The system is expected to yield approximately 1,740 New Hampshire Class I Thermal RECs annually. The project's technical specifications are described in Attachment 3.

The grant is contingent on sufficient REF funds being available upon the effective date of the grant agreement. The funds have been allocated for this contract 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,

A handwritten signature in black ink, appearing to read "Jared S. Chicoine", with a large, stylized flourish at the end.

Jared S. Chicoine  
Commissioner

## NONRESIDENTIAL COMPETITIVE GRANT REVIEW PROCESS AND SCORING TEAM

The Department of Energy (Department) issued a Request for Proposals (RFP) on November 3, 2022 for renewable energy projects in the nonresidential sector which would be eligible to generate Class I, Class I Thermal, or Class IV renewable energy certificates (RECs). The RFP was generally similar to that issued in the prior year. 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 members of the Energy Efficiency and Sustainable Energy Board (EESB Board), regular attendees at EESB Board meetings, additional stakeholders known to have an interest in energy policy and programs, and Clean Energy NH. The RFP was posted on the Department website for the full submission period, and was advertised in the New Hampshire Union Leader on November 6, 7 and 8, 2022. All responses were due by December 15, 2022. The Department received three proposals requesting a total of \$1.2 million in grant funds for projects with combined estimated total project costs of \$7.823 million.

The Department employed a two-tier grant review process to evaluate the proposals. The scoring team:

<b>Department Non-Residential Competitive Grant Program Scoring Team</b>			
<b>Initial Review Team</b>			
Name	Position	Agency	Experience
Deandra Perruccio	Administrator IV	Department of Energy	REC management
Tanya Wayland	Analyst III	Department of Energy	REC management
Azanna Wishart	Analyst II	Department of Energy	Renewable energy program management
Joe Fontaine	Technical Program Manager	Department of Environmental Services	Environmental compliance for REC facilities
Griffin Roberge	State Energy Program Manager	Department of Energy	Federal Grants
<b>Second Review Team</b>			
Joshua Elliott	Director of Policy & Programs	Department of Energy	DOE leadership team
Christopher Ellms, Jr.	Deputy Commissioner	Department of Energy	DOE leadership team
Jared Chicoine	Commissioner	Department of Energy	DOE leadership team

The initial review team scored the three proposals using the scoring criteria set forth in the RFP and those requirements set forth in N.H. Code of Administrative Rules Puc 2508.02 (b) and (c), and developed a score for each proposal from 0-100 points, and assigned values for the factors outlined in the RFP which resulted in the final scores, ranks, and funding recommendations. Based on proposal scores and the program budget, the initial review team recommended funding the full requested amount of two applicants.

The Sustainable Energy Administrator submitted a funding recommendation memorandum and met with the second review team to brief them on the proposals and recommendations. The second review team was provided with project scores, descriptions, and recommendations for funding, and had an opportunity to ask questions. The second review team reviewed the initial recommendation to endorse grant awards for the two highest scoring proposals. The second review team approved grant funding for two renewable energy projects in the total amount of \$800,000.

**SCORING CRITERIA, SCORES AND PROPOSED AWARDEES**

**RFP 2022-004**

Three proposals were reviewed and scoring was completed by the Department and DES staff evaluation team. The two highest-scoring proposals were selected for grant awards.

Scoring Criteria & Maximum Points	Continuum at North Conway, LLC	Sunapee School District	Philips Exeter Academy
Grant \$/REC (Max. 25)	25	20	15
Levelized Cost of Energy (LCOE) (Max. 20)	20	16	16
Benefits to New Hampshire (Max. 20)	10	13	5
Project Readiness and Community Support (Max. 15)	15	10	8
Matching and Other Funding Sources (Max. 10)	7	7	5
Environmental Benefits (Max. 10)	9	6	4
<b>TOTAL SCORE</b>	<b>86</b>	<b>72</b>	<b>53</b>
<b>RANK</b>	<b>1</b>	<b>2</b>	<b>3</b>

**SCORING CRITERIA, SCORES AND PROPOSED AWARDEES**

**RFP 2022-004**

<b>TABLE 2. PROPOSED GRANT AWARDEES</b>							
<b>Respondent</b>	<b>Town/City</b>	<b>Technology (Capacity)</b>	<b>Total Project Costs</b>	<b>Proposed Grant Funding</b>	<b>Annual Renewable Energy Certificates &amp; Class</b>	<b>Cost Effectiveness (Grant \$ / 10yrs-REC)</b>	<b>Contract End Date</b>
Continuum at North Conway, LLC	North Conway	Biomass (1,750 kW)	\$5,500,000	\$400,000	6,440 Class I	\$6.21	6/30/2025
Sunapee School District	Sunapee	Biomass (400 kW)	\$700,000	\$400,000	1,740 Class I	\$24.72	6/30/2025
<b>TOTAL</b>			<b>\$6,200,000</b>	<b>\$800,000</b>			

# Attachment 1

## Sunapee School District

### Facts and Figures

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As part of a larger energy savings performance contract, Sunapee School District will install a district heating plant that includes a Processed Dry Chip (PDC) biomass boiler plant that will offset the majority of the annual heating demand of the renovated Sunapee High School. It will increase the demand for processed dry woodchips by approximately 568 tons per year. The biomass boiler plant is part of a broader project, which also includes energy efficiency measures. The boiler plant is expected to yield approximately 1,740 New Hampshire Class I Thermal RECs annually.

**Facility Size:** Biomass Boiler 400 kW

**Grant Cost Effectiveness<sup>i</sup>:** \$24.72/REC (over 10 years)

#### **Funding Analysis:**

Total Project Cost:	\$700,000
Leveraged Funds:	\$300,000
Grant Amount:	\$400,000

#### **Financial and Environmental Benefits:**

Energy Generation:	1740 MWh/year (Displacing~42,000 gallons of fuel oil)
Generation Value <sup>ii</sup> :	\$48,372/year REC sales
20-Year LCOE <sup>iii</sup> :	\$0.082/kWh
Life Expectancy:	30 years
CO <sub>2</sub> Avoided:	450 tons/year

#### **Renewable Portfolio Standard RSA 362-F:1 Criteria:**

- Generates 1,424 additional Class I renewable energy certificates (RECs) per year
- Supports fuel diversity and keeps energy dollars in state (\$68,160 spending annually on 568 tons of New Hampshire processed dry chips)
- Provides energy savings to the town of Sunapee and Sunapee School District
- Reduces the amount of greenhouse gases, nitrogen oxides and particulate matter emissions compared to fuel oil; thereby improving air quality and public health

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<sup>i</sup> The Department of Energy used a metric defined as the requested grant amount divided by the total number of RECs over 10 years of operation as a key criteria in evaluating and choosing grantees.

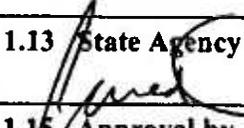
<sup>ii</sup> Generation value is based on the Alternative Compliance Payment (ACP) value for the project's estimated annual REC generation. The ACP rate for Class I is \$27.80/MWh in 2023; therefore, 1,740 RECs/year is equivalent to \$48,372 in Generation Value.

<sup>iii</sup> Simple Levelized Cost of Energy (LCOE) calculated using NREL's calculator at [http://www.nrel.gov/analysis/tech\\_lcoe.html](http://www.nrel.gov/analysis/tech_lcoe.html) using assumptions provided by the applicant.

GRANT AGREEMENT

The State of New Hampshire and the Grantee hereby  
Mutually agree as follows:  
GENERAL PROVISIONS

1. Identification and Definitions.

<b>1.1. State Agency Name</b> Department of Energy		<b>1.2. State Agency Address</b> 21 S. Fruit St., Ste. 10, Concord, NH 03301	
<b>1.3. Grantee Name</b> Sunapee School District - SAU 85		<b>1.4. Grantee Address</b> 70 Lower Main St., Sunapee, NH 03782	
<b>1.5. Grantee Phone #</b> 603-763-4627	<b>1.6. Account Number</b> 010-081-54540000-073-500579	<b>1.7. Completion Date</b> June 30, 2025	<b>1.8. Grant Limitation</b> \$400,000
<b>1.9. Grant Officer for State Agency</b> Deandra Perruccio		<b>1.10. State Agency Telephone Number</b> 603-271-6079	
If Grantee is a municipality or village district: "By signing this form we certify that we have complied with any public meeting requirement for acceptance of this grant, including if applicable RSA 31:95-b."			
<b>1.11. Grantee Signature 1</b> 		<b>1.12. Name &amp; Title of Grantee Signor 1</b> Russell Holden, Superintendent	
<b>Grantee Signature 2</b>		<b>Name &amp; Title of Grantee Signor 2</b>	
<b>Grantee Signature 3</b>		<b>Name &amp; Title of Grantee Signor 3</b>	
<b>1.13. State Agency Signature(s)</b> 		<b>1.14. Name &amp; Title of State Agency Signor(s)</b> Jared S. Chicoine, Commissioner	
<b>1.15. Approval by Attorney General (Form, Substance and Execution) (if G &amp; C approval required)</b>			
By: 		Assistant Attorney General, On: 5/31/2023	
<b>1.16. Approval by Governor and Council (if applicable)</b>			
By:		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 B (the scope of work being hereinafter referred to as "the Project").

3. **AREA COVERED.** Except as otherwise specifically provided for herein, the Grantee shall perform the Project in, and with respect to, the State of New Hampshire.
4. **EFFECTIVE DATE; COMPLETION OF PROJECT.**
  - 4.1. This Agreement, and all obligations of the parties hereunder, shall become effective on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire if required (block 1.16), or upon signature by the State Agency as shown in block 1.14 ("the Effective Date").
  - 4.2. Except as otherwise specifically provided herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.7 (hereinafter referred to as "the Completion Date").
5. **GRANT AMOUNT; LIMITATION ON AMOUNT; VOUCHERS; PAYMENT.**
  - 5.1. The Grant Amount is identified and more particularly described in EXHIBIT C, attached hereto.
  - 5.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT C.
  - 5.3. In accordance with the provisions set forth in EXHIBIT C, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 5.5 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 under this subparagraph 5.3 those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.
  - 5.4. 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.
  - 5.5. 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.
6. **COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS.** In connection with the performance of the Project, the Grantee shall comply with all statutes, laws regulations, and orders of federal, state, county, or municipal authorities which shall impose any obligations or duty upon the Grantee, including the acquisition of any and all necessary permits and RSA 31-95-b.
7. **RECORDS and ACCOUNTS.**
  - 7.1. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency, 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, unless otherwise required by the grant terms or the Agency pursuant to subparagraph 7.1, 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 provisions.
8. **PERSONNEL.**
  - 8.1. The Grantee shall, at its own expense, 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 has a contractual relationship with the State, or who is a State officer or employee, elected or appointed. 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.
  - 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, computer printouts, notes, letters, memoranda, paper, 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.
- 9.4. On and after the Effective Date all data, and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason, whichever shall first occur.
- 9.5. The State, and anyone it shall designate, shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, all data.
10. **CONDITIONAL NATURE OR 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. 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.
  - 12.2. 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 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.
  - 12.3. 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 officer, member of 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 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 officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, workmen'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. None of the Project Work shall be subcontracted or subgranted by the Grantee other than as set forth in Exhibit B 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 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 subcontractor, or subgrantee or other agent of the Grantee. 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.**
- 17.1 The Grantee shall, at its own 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 workers' compensation and employees liability insurance for all employees engaged in the performance of the Project, and
- 17.1.2 General liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$1,000,000 per occurrence and \$2,000,000 aggregate 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. Grantee shall furnish to the State, certificates of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy.
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 of 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, if required or by the signing State Agency.
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.
24. **SPECIAL PROVISIONS.** The additional or modifying provisions set forth in Exhibit A hereto are incorporated as part of this agreement.

**EXHIBIT A**  
**SPECIAL PROVISIONS**

There are no revisions to the Standard Agreement Provisions.

## EXHIBIT B

### SCOPE OF WORK

In exchange for receiving grant funds in the amount of up to \$400,000 from the New Hampshire Department of Energy (Department), Sunapee School District – SAU 85 (Grantee) agrees to remove its 50-year-old oil boilers and install one 400 KW Schmid Boiler that will offset the 40,000 gallons of oil used at the facility with wood chips. The new boiler will be centrally located in a small out building at the high school campus at 10 North Road in Sunapee, New Hampshire. Specifically, Grantee agrees to:

1. Decommission and remove the existing oil-fired boilers on the high school campus.
2. Oversee the design, development, procurement, construction, and installation of one 400 KW Schmid Dry Chip Boiler at 10 North Road in Sunapee, New Hampshire to serve the high school campus (Project). Grantee shall obtain a minimum of five years' labor warranty. The Project scope reimbursable with grant funds hereunder includes all materials and labor required to complete the Project, including that of outside contractors, subcontractors, consultants, engineers, and other members of the Project team.
3. Obtain all required state and local permits prior to construction.
4. Ensure that all installation and related work performed on the project will be done by Froling Energy.
5. Ensure that EEI provides detailed training to grantees' maintenance staff on operation of equipment.
6. Produce no fewer than 1,740 Thermal renewable energy certificates (RECs) per year assuming an annual consumption of 350 tons of dry chips per year.
7. Maintain the system and system components as recommended by the manufacturer and engineering specification for a period of 30 years.
8. Provide the Department with reports and status updates as specified in the "Deliverables" section below.
9. Submit a complete New Hampshire Class I Thermal Energy Source Eligibility application to the Department, for the certification of the output of the Project to produce New Hampshire Class I Thermal renewable energy certificates.
10. Market the RECs produced to providers of electricity in New Hampshire for compliance with the state's renewable portfolio standard law, RSA 362-F.

11. Acknowledge the Renewable Energy Fund and the New Hampshire Department of Energy as a source of funds used for the project in any literature, press release, or public discussion of the project.

## DELIVERABLES

The Grantee agrees to prepare and submit written progress reports to the Department, in a form and manner prescribed by the Department, and to participate in monthly status update meetings or conference calls prior to the project completion date. The written progress reports shall meet the following specifications:

Report Type	Reporting Period	Due Date	Scope of Report
Report #1	7/1/2023 – 9/30/2023	11/1/2023	Project progress, development & construction, significant accomplishments.
Report #2	10/1/2023 – 12/31/2023	2/1/2024	Same as above.
Report #3	1/1/2024 – 3/31/2024	5/1/2024	Same as above.
Report #4	4/1/2024 – 6/30/2024	8/1/2024	Same as above.
Report #5	7/1/2024 – 9/30/2024	11/1/2024	Same as above.
Report #6	10/1/2024 – 12/31/2024	1/1/2025	Same as above.
Report #7	1/1/2025 – 3/31/2025	5/1/2025	Same as above.
Report #8	4/1/2025 – 6/30/2025	8/1/2025	Same as above.
Annual Report	Calendar Years 2025 - 2033	2/1/ of the immediately following year	Use annual report template to report energy and REC production results and other relevant accomplishments.

All written reports submitted after the renovation, interconnection, and operation of the wood chip system shall include, at a minimum, the following:

1. Identification of the Grantee, Project; RFP 2022-004, and updated contact information;
2. The quantity of thermal energy produced by the Project, in MMBTU and kilowatt-hour equivalent generated, during the preceding calendar year;
3. The number of Class I Thermal RECs produced during the preceding calendar year;
4. The number of Class I Thermal RECs sold during the preceding calendar year;
5. Relevant details about operations, such as maintenance or production issues; and
6. Economic data, including, but not limited to, job creation data to the extent possible, for activity performed during construction and operation of the Project and after completion of the Project. Such data shall include the total jobs created as a result of the development and operation of the Project.

**EXHIBIT C**

**GRANT AMOUNT, TERMS AND METHODS OF PAYMENT**

1. This grant agreement commences upon approval by Governor and Executive Council and concludes on June 30, 2025.
2. In consideration of the satisfactory performance of the obligations described in Exhibit B and the agreement of Sunapee School District – SAU 85 (Grantee) to perform certain obligations after June 30, 2025 (as detailed in Exhibit B), the State agrees to pay an amount not to exceed \$400,000 to Grantee pursuant to the terms and conditions specified in this Exhibit C.
3. Grantee shall not be paid any grant funds under the grant agreement unless and until all of the following have occurred by the target dates specified:

Receipt of all necessary permits, licenses, consents, and approvals from all applicable authorities having jurisdiction, including, but not limited to, fire, electric, and building permits.	December 31, 2023
Receipt of required engineering and mechanical plans, which may be in preliminary form as determined by the State, or confirmation that none are required.	June 30, 2024
Receipt of all deliveries, tools, equipment, and other materials necessary for installation of boiler.	March 31, 2025

Grantee shall use reasonable best efforts to achieve the foregoing milestones by the dates set forth in the table above. The Department may extend any of such specified dates for good cause shown upon written request by Grantee.

4. Grantee's reimbursement requests shall cover only the costs of materials and equipment delivered to the project site and incorporated into or to be incorporated into the project and only labor costs directly related to the design, construction and installation of the project. Grantee's reimbursement requests shall not include the costs of any deposits or prepayments for equipment or materials ordered or procured for the project unless and until such equipment and materials are delivered to the project site and incorporated into the project, or delivered to the project cite for incorporation into the project, or used at the project site for the purpose(s) obtained.
5. Grantee may submit reimbursement requests to the Department, with full supporting documentation, as obligations described in Exhibit B have been met and subject to the conditions stated in paragraphs 3 and 4 above, and further consistent with the grant agreement General Provisions. Reimbursement requests shall be submitted not more frequently than once per month. The amount of \$40,000 will be retained until the project is complete and shall be paid to Grantee only when each of the following has occurred:

- (i) the project has been fully constructed and installed,
- (ii) the project has commenced operation,
- (iii) Grantee has submitted an application, deemed complete by the Department, for certification of eligibility of the project to produce Class I Thermal RECs.

Grantee shall be responsible for any project expenses incurred that exceed the total grant amount or are not eligible for reimbursement under this Exhibit C.

- 6. Each reimbursement request shall provide a detailed listing of project expenses incurred with supporting documentation. Grantee shall document all project expenditures for which reimbursement is requested with appropriate back-up documentation, including, but not limited to, receipts, invoices, bills, and other similar documents for all vendors, contractors, and subcontractors. This includes expenses incurred by subcontractors employed on construction projects funded through the grant. At a minimum, receipts must be provided documenting labor cost, equipment cost, material cost, site work, engineering and permitting fees, and capital expenditures for all vendors, contractors and subcontractors.
- 7. Reimbursement requests shall be reviewed for compliance with the scope of services set forth in Exhibit B, and the reimbursement terms and conditions of this Exhibit B, and approved by the Director of the Sustainable Energy Division or her designee.
- 8. Grantee agrees to provide economic data, included but not limited to job creation data to the extent possible, for activity performed during construction and operation of the project and after completion of the project. Such data shall include the total jobs created as a result of the development and operation of the project.
- 9. The State agrees to make payment to the Grantee within 30 days after the approval of reimbursement requests as described in paragraph 7 above and submitted in compliance with this Exhibit C and the grant agreement General Provisions.
- 10. All obligations of the State under the grant agreement, including the continuance of any payments, are contingent on the availability of funds derived from the Renewable Energy Fund established and existing pursuant to RSA 362-F:10.



**SUNAPEE SCHOOL BOARD**  
**CERTIFICATE OF AUTHORIZATION**

I, Edward Andersen, Chairman of the Sunapee School District Board, hereby certify that Russell Holden is duly authorized to sign and enter into a grant agreement with the Department of Energy of the State of New Hampshire for and on behalf of the Sunapee School District, and he is further authorized to execute any and all contracts and agreements related to the Department of Energy grant funding for the biomass boiler heating system at the Sunapee Middle High School, as approved during the school board meeting held on April 5, 2023.

I further attest that such authorization has not been repealed, rescinded, or amended as of the date hereof.

A True Copy of the Record,

**ATTEST**

Edward Andersen, Chair  
Sunapee School Board

**NOTARIZATION**

State of New Hampshire County of Sullivan

On this 12<sup>th</sup> day of May, 2023, before me Michele Esposito Flynn the undersigned, personally appeared Edward Andersen, who acknowledged himself to be the Chair of the Sunapee School District Board, and who, being authorized to do so, executed the foregoing for the purposes contained therein.

In witness thereof, I hereunto set my hand and official seal

Notary Public

MICHELE ESPOSITO-FLYNN  
Notary Public, State of New Hampshire  
My Commission Expires June 15, 2027





NH Public Risk Management Exchange

### CERTIFICATE OF COVERAGE

The New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) is organized under the New Hampshire Revised Statutes Annotated, Chapter 5-B, Pooled Risk Management Programs. In accordance with those statutes, its Trust Agreement and bylaws, Primex<sup>3</sup> is authorized to provide pooled risk management programs established for the benefit of political subdivisions in the State of New Hampshire.

Each member of Primex<sup>3</sup> is entitled to the categories of coverage set forth below. In addition, Primex<sup>3</sup> may extend the same coverage to non-members. However, any coverage extended to a non-member is subject to all of the terms, conditions, exclusions, amendments, rules, policies and procedures that are applicable to the members of Primex<sup>3</sup>, including but not limited to the final and binding resolution of all claims and coverage disputes before the Primex<sup>3</sup> Board of Trustees. The Additional Covered Party's per occurrence limit shall be deemed included in the Member's per occurrence limit, and therefore shall reduce the Member's limit of liability as set forth by the Coverage Documents and Declarations. The limit shown may have been reduced by claims paid on behalf of the member. General Liability coverage is limited to Coverage A (Personal Injury Liability) and Coverage B (Property Damage Liability) only. Coverage's C (Public Officials Errors and Omissions), D (Unfair Employment Practices), E (Employee Benefit Liability) and F (Educator's Legal Liability Claims-Made Coverage) are excluded from this provision of coverage.

The below named entity is a member in good standing of the New Hampshire Public Risk Management Exchange. The coverage provided may, however, be revised at any time by the actions of Primex<sup>3</sup>. As of the date this certificate is issued, the information set out below accurately reflects the categories of coverage established for the current coverage year.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage afforded by the coverage categories listed below.

<b>Participating Member:</b> Sunapee School District SAU #85 70 Lower Main Street Sunapee, NH 03782	<b>Member Number:</b> 955	<b>Company Affording Coverage:</b> NH Public Risk Management Exchange - Primex <sup>3</sup> Bow Brook Place 46 Donovan Street Concord, NH 03301-2624
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Type of Coverage	Effective Date (mm/dd/yyyy)	Expiration Date (mm/dd/yyyy)	Limits - NH Statutory, Limits May Apply, If Not:
<input type="checkbox"/> <b>General Liability (Occurrence Form)</b> <input type="checkbox"/> <b>Professional Liability (describe)</b> <input type="checkbox"/> Claims Made <input type="checkbox"/> Occurrence			Each Occurrence General Aggregate Fire Damage (Any one fire) Med Exp (Any one person)
<input type="checkbox"/> <b>Automobile Liability</b> Deductible    Comp and Coll: <input type="checkbox"/> Any auto			Combined Single Limit (Each Accident) Aggregate
<input checked="" type="checkbox"/> <b>Workers' Compensation &amp; Employers' Liability</b>	7/1/2022 7/1/2023	7/1/2023 7/1/2024	<input checked="" type="checkbox"/> Statutory Each Accident    \$2,000,000 Disease - Each Employee    \$2,000,000 Disease - Policy Limit
<input type="checkbox"/> <b>Property (Special Risk includes Fire and Theft)</b>			Blanket Limit, Replacement Cost (unless otherwise stated)

**Description:** Proof of Primex Member coverage only. The Participating Member will advise of cancellation no later than 10 days prior to cancellation.

<b>CERTIFICATE HOLDER:</b>	<b>Additional Covered Party</b>	<b>Loss Payee</b>	Primex <sup>3</sup> - NH Public Risk Management Exchange By: <i>Mary Beth Purcell</i> Date: 5/11/2023    mpurcell@nhprimex.org Please direct Inquires to: Primex <sup>3</sup> Claims/Coverage Services 603-225-2841 phone 603-228-3833 fax
NH Department of Energy 21 S. Fruit Street, Suite 10 Concord, NH 03301			



## CERTIFICATE OF COVERAGE

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Each member of Primex<sup>3</sup> is entitled to the categories of coverage set forth below. In addition, Primex<sup>3</sup> may extend the same coverage to non-members. However, any coverage extended to a non-member is subject to all of the terms, conditions, exclusions, amendments, rules, policies and procedures that are applicable to the members of Primex<sup>3</sup>, including but not limited to the final and binding resolution of all claims and coverage disputes before the Primex<sup>3</sup> Board of Trustees. The Additional Covered Party's per occurrence limit shall be deemed included in the Member's per occurrence limit, and therefore shall reduce the Member's limit of liability as set forth by the Coverage Documents and Declarations. The limit shown may have been reduced by claims paid on behalf of the member. General Liability coverage is limited to Coverage A (Personal Injury Liability) and Coverage B (Property Damage Liability) only. Coverage's C (Public Officials Errors and Omissions), D (Unfair Employment Practices), E (Employee Benefit Liability) and F (Educator's Legal Liability Claims-Made Coverage) are excluded from this provision of coverage.

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Type of Coverage	Effective Date (mm/dd/yyyy)	Expiration Date (mm/dd/yyyy)	Limits - NH Statutory Limits May Apply
<input checked="" type="checkbox"/> <b>General Liability (Occurrence Form)</b> <input type="checkbox"/> <b>Professional Liability (describe)</b> <input type="checkbox"/> Claims Made <input type="checkbox"/> Occurrence	7/1/2022	7/1/2023	Each Occurrence      \$ 1,000,000
	7/1/2023	7/1/2024	General Aggregate      \$ 2,000,000
			Fire Damage (Any one fire)
			Med Exp (Any one person)
<input type="checkbox"/> <b>Automobile Liability</b> Deductible    Comp and Coll: \$1,000  <input type="checkbox"/> Any auto			Combined Single Limit (Each Accident)  Aggregate
<input type="checkbox"/> <b>Workers' Compensation &amp; Employers' Liability</b>			Statutory
			Each Accident
			Disease - Each Employee
			Disease - Policy Limit
<input type="checkbox"/> <b>Property (Special Risk Includes Fire and Theft)</b>			Blanket Limit, Replacement Cost (unless otherwise stated)

**Description:** With regards to grant. The certificate holder is named as Additional Covered Party, but only to the extent liability is based solely on the negligence or wrongful acts of the member, its employees, agents, officials or volunteers. This coverage does not extend to others. Any liability resulting from the negligence or wrongful acts of the Additional Covered Party, or their employees, agents, contractors, members, officers, directors or affiliates is not covered. The Participating Member will advise of cancellation no later than 10 days prior to cancellation.

<b>CERTIFICATE HOLDER:</b>	<input checked="" type="checkbox"/>	Additional Covered Party	<input type="checkbox"/>	Loss Payee	Primex <sup>3</sup> - NH Public Risk Management Exchange
New Hampshire Department of Energy 21 S. Fruit Street, Suite 10 Concord, NH 03301					By: <i>Mary Beth Purcell</i>
					Date: 5/11/2023    mpurcell@nhprimex.org
					Please direct inquires to: <b>Primex<sup>3</sup> Claims/Coverage Services</b> 603-225-2841 phone 603-228-3833 fax