

COMMISSIONER
Jared S. Chicoine

STATE OF NEW HAMPSHIRE

TDD Access: Relay NH
1-800-735-2964

YH

DEPUTY COMMISSIONER
Christopher J. Ellms, Jr.



Tel. (603) 271-3670

Website:
www.energy.nh.gov

56

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

June 12, 2024

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 Durgin and Crowell Lumber Company, Inc. (Durgin and Crowell), 231 Fisher Corner Road, Springfield, NH, Vendor #205261, in the amount of \$400,000 to install a wood energy combined heat and power boiler with back pressure turbine at its sawmill facility, effective upon Governor and Executive Council approval through June 30, 2026. **100% Other (Renewable Energy Fund).**

Funding is available in account Renewable Energy Fund as follows:

	<u>FY2024</u>
02-52-52-520510-18900000-073-500579 – 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 October 2, 2023, the Department issued a Request for Proposals (RFP), #2023-018, 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.

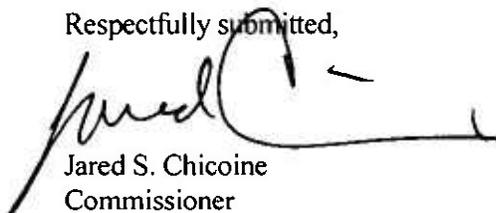
The Department received 14 proposals requesting a total of \$4.8 million in funds in response to the RFP. Durgin and Crowell and three other proposals have been selected to receive a total of \$1,600,000 in this funding round. Additional information on the grant review and award process is provided along with a summary of all grant awards.

With these funds, Durgin and Crowell will design, purchase, and install a PDC combined heat and power boiler with a backpressure turbine in a new boiler plant for lumber dry kilns. The system is expected to yield approximately 24,108 New Hampshire Class I Thermal RECs annually.

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
June 12, 2024
Page 2 of 2

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 long horizontal flourish extending to the right.

Jared S. Chicoine
Commissioner

NONRESIDENTIAL COMPETITIVE GRANT REVIEW PROCESS AND SCORING TEAM

The Department of Energy (Department) issued a Request for Proposals (RFP) on October 2, 2023, RFP 2023-018, 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 the PHP list, Clean Energy NH, and additional stakeholders known to have an interest in energy policy and programs. The RFP was posted on the Department website, posted on the procurement website at the Department of Administrative Services for the full submission period, and was advertised in the New Hampshire Union Leader on October 4, 5, 6, 2023. All responses were due by November 16, 2023. The Department received 14 proposals requesting a total of \$4.8 million in grant funds for projects with combined estimated total project costs of \$34.56 million.

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

Department Non-Residential Competitive Grant Program Scoring Team			
Initial Review Team			
Name	Position	Agency	Experience
Deandra Perruccio	Administrator IV	Department of Energy	REC management
Azanna Wishart	Analyst II	Department of Energy	Renewable energy program management
Mike O'Brien	Testing and Monitoring Supervisor	Department of Environmental Services	Environmental compliance for REC facilities
Griffin Roberge	Analyst III	Department of Energy	Federal Grants
Second Review Team			
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 14 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 four 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 four highest scoring proposals. The second review team approved grant funding for four renewable energy projects in the total amount of \$1,600,000.

NON-RESIDENTIAL COMPETITIVE GRANT PROGRAM
SCORING DETAILS MATRIX

Fourteen proposals were submitted. One proposal was deemed ineligible, and thirteen were scored. Scoring was completed by the DOE and DES staff evaluation team and are summarized below:

Scoring Criteria & Maximum Points	New London Place Realty/NLP Senior Assisted Living	Britton Lumber Company	Durgin and Crowell Lumber Company	Raymond High School Biomass Project	Newfound Area High School Biomass Project	Woodsville Rochester Wyandotte Hydro Project	Newfound Area Middle School Biomass Project
Grant \$/REC (Max. 25)	25	25	25	15	15	15	15
Levelized Cost of Energy (LCOE) (Max. 20)	20	20	20	12	12	20	12
Benefits to New Hampshire (Max. 20)	14	12	13	16	16	8	16
Project Readiness and Community Support (Max. 15)	15	15	13	13	8	13	8
Matching and Other Funding Sources (Max. 10)	7	8	8	7	7	4	7
Environmental Benefits (Max. 10)	9	9	9	4	4	2	4
TOTAL SCORE	90	89	88	67	62	62	62
PRICE	\$6,884,640	\$5,965,690	\$7,055,000	\$1,400,000	\$1,256,850	\$316,300	\$1,436,400

Scoring Criteria & Maximum Points	Salmon Falls Power & Light Hydro Project	Noone Falls Energy Hydro Project	Raymond Middle School Biomass Project	Merrimack County Solar Thermal Energy Project	Madko Energy LLC/Renewal Waterloom Dam	Elevate Power/Pine Valley Hydro Project	DRSWM Hydro LLC/Sugar River I Project
Grant \$/REC (Max. 25)	15	15	10	5	10	5	
Levelized Cost of Energy (LCOE) (Max. 20)	20	20	12	16	16	20	
Benefits to New Hampshire (Max. 20)	9	8	15	18	9	8	
Project Readiness and Community Support (Max. 15)	10	12	13	14	15	15	
Matching and Other Funding Sources (Max. 10)	3	3	7	5	5	4	
Environmental Benefits (Max. 10)	4	2	2	1	2	1	
TOTAL SCORE	61	60	59	59	57	53	Ineligible
PRICE	\$294,000	\$500,625	\$1,400,000	\$641,110	\$495,000	\$610,200	

Attachment 1
Durgin and Crowell Lumber Company, Inc.
Facts and Figures

Durgin and Crowell Lumber Company, Inc. is a forest resource company located in Springfield, New Hampshire. They propose to design, purchase, and install a wood energy combined heat and power (CHP) system (boiler with back pressure turbine) to replace an existing wood boiler at its sawmill facility. The system will produce steam for use in lumber dry kilns. The back pressure turbine will generate electricity for on-site use. The facility is expected to increase the production of Class I Thermal RECs by approximately 24,108 RECs annually.

Facility Size: Biomass CHP Boiler 24 MMBtu/hr

Grant Cost Effectivenessⁱ: \$1.66/REC (over 10 years)

Funding Analysis:

Total Project Cost:	\$7,055,000
Leveraged Funds:	\$6,655,000
Grant Amount:	\$400,000

Financial and Environmental Benefits:

Energy Generation:	82,258 MMBtu/year
Generation Value ⁱⁱ :	\$681,774/year REC sales
20-Year LCOE ⁱⁱⁱ :	\$0.035/kWh
Life Expectancy:	30 years
CO ₂ Avoided:	1,063 tons/year

Renewable Portfolio Standard RSA 362-F:1 Criteria:

- Generates 24,108 additional Class I renewable energy certificates (RECs) per year
- Supports fuel diversity and keeps energy dollars in state
- Provides energy savings to Springfield businesses and residents
- Reduces the amount of greenhouse gases, nitrogen oxides and particulate matter emissions compared to fuel oil; thereby improving air quality and public health

ⁱ 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.

ⁱⁱ 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 \$28.28/MWh in 2024; therefore, 24,108 RECs/year is equivalent to \$681,774 in Generation Value.

ⁱⁱⁱ Simple Levelized Cost of Energy (LCOE) calculated using NREL's calculator at 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

i. Identification and Definitions.

1.1. State Agency Name Department of Energy		1.2. State Agency Address 21 S. Fruit St., Ste. 10, Concord, NH 03301	
1.3. Grantee Name Durgin and Crowell Lumber Company, Inc.		1.4. Grantee Address PO Box 160, New London, NH 03257-0160	
1.5. Grantee Phone # 603-763-2860	1.6. Account Number 02-52-520010-189000- 073-500579	1.7. Completion Date June 30, 2026	1.8. Grant Limitation \$400,000
1.9. Grant Officer for State Agency Azanna Wishart		1.10. State Agency Telephone Number 603-271-6306	
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."			
1.11. Grantee Signature 1 		1.12. Name & Title of Grantee Signor 1 Ben Crowell, Vice President	
Grantee Signature 2		Name & Title of Grantee Signor 2	
Grantee Signature 3		Name & Title of Grantee Signor 3	
1.13. State Agency Signature(s) 		1.14. Name & Title of State Agency Signor(s) Jared Chicoine, Commissioner	
1.15. Approval by Attorney General (Form, Substance and Execution) (if G & C approval required) By: <u>Christopher G. Aslin</u> Assistant Attorney General, On: 5/13/2024			
1.16. Approval by Governor and Council (if applicable) 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 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.
- 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 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 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

1. Paragraph 12.4 of the General Provisions is amended to add “Without limiting the foregoing, a determination by the Department that the Grantee or Contractor is boycotting Israel shall be grounds for termination by the Department in accordance with New Hampshire Executive Order No. 2023-05, which termination may be immediate.”

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), Durgin and Crowell Lumber Company, Inc. (Grantee) agrees to design, purchase, and install a wood energy combined heat and power boiler with back pressure turbine in a new boiler plant at its sawmill facility located on 231 Fisher Corner Road in Springfield, New Hampshire. Specifically, Grantee agrees to:

1. Coordinate and oversee the design, development, procurement, construction, and installation of a 24 MMBtu woodchip combine heat and power system to use for lumber dry kilns at their company located on 231 Fisher Corner Road in Springfield, New Hampshire (Project). 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. Grantee will obtain customary warranty coverage with its vendors.
2. Construct new boiler plant in place of existing propane boiler room. Install a 600 HP wood gasification boiler with a back pressure steam turbine.
3. Install an electrostatic precipitator or other emission control, or modify boiler configuration to ensure that system will comply with particulate emission thresholds required for the system to qualify for Class I Thermal RECs.
4. Subcontract with Wilson Engineering, or another vendor pre-approved by the Department, for project design, oversight, and commissioning.
5. Obtain all required state and local permits and licenses.
6. Utilize Grantee maintenance personnel to operate and maintain the new biomass energy district heating and cooling plant.
7. Produce at least 24,108 thermal RECs per year, assuming a system demand of 82,258 MMBtu/year for heating and cooling, for a proportional amount of thermal RECs based on actual system demand.
8. Maintain the system and system components as recommended by the manufacturer and engineering specifications for a period of 30 years.
9. Provide the Department with reports and status updates as specified in the "Deliverables" section below.

10. 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.
11. Acknowledge the Renewable Energy Fund and the Department 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	7/1/2024 – 9/30/2024	11/1/2024	Project progress, development & construction, significant accomplishments.
Report #2	10/1/2024 – 12/31/2024	2/1/2025	Same as above.
Report #3	1/1/2025 – 3/31/2025	5/1/2025	Same as above.
Report #4	4/1/2025 – 6/30/2025	8/1/2025	Same as above.
Report #5	7/1/2025 – 9/30/2025	11/1/2025	Same as above.
Report #6	10/1/2025 – 12/31/2025	1/1/2026	Same as above.
Report #7	1/1/2026 – 3/31/2026	5/1/2026	Same as above.
Report #8	4/1/2026 – 6/30/2026	8/1/2026	Same as above.
Annual Report	Calendar Years 2026 - 2034	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 completion of the Project shall include, at a minimum, the following:

1. Identification of the Grantee, Project, RFP 2023-018, 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 Governor and Council approval and concludes on June 30, 2026.
2. In consideration of the satisfactory performance of the obligations described in Exhibit B and the agreement of Durgin and Crowell Lumber Co., Inc. (Grantee) to perform certain obligations after June 30, 2026 (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, 2024
Receipt of all deliveries, tools, equipment, and other materials necessary for demolition of existing propane building, site preparation for new boiler.	June 30, 2025
Receipt of boiler and turbine delivery, connecting, testing, and commissioning of boiler and turbine.	March 31, 2026

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. 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. The State will not pay any subcontractor, consultant, engineer or other vendor directly for its services to the Grantee. The amount to be paid to the Grantee, including the amounts paid for services provided to the Grantee by any permitted subcontractor, consultant, engineer or other vendor shall not exceed the amount of the Grant Limitation in Block 1.8.
5. 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 site for incorporation into the project, or used at the project site for the purpose(s) obtained.

6. 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.

7. 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.
8. Reimbursement requests shall be reviewed for compliance with the scope of work set forth in Exhibit B, and the reimbursement terms and conditions of this Exhibit C, and approved by the Director of the Sustainable Energy Division or her designee.
9. 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.
10. The Department 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.
11. All obligations of the Department 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.

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that DURGIN AND CROWELL LUMBER COMPANY, INC. is a New Hampshire Profit Corporation registered to transact business in New Hampshire on February 13, 1976. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 8292

Certificate Number: 0006668657



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire.
this 15th day of April A.D. 2024.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan
Secretary of State

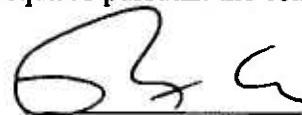
DURGIN AND CROWELL LUMBER COMPANY, INC.
SPECIAL MEETING OF THE BOARD OF DIRECTORS
BY WRITTEN CONSENT

We, the undersigned, being all the directors of Durgin and Crowell Lumber Company, Inc. ("Durgin and Crowell"), a duly formed and existing New Hampshire corporation, hereby consent to the following action:

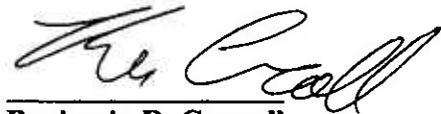
VOTED: Pursuant to RSA 293-A:8.21 and RSA 293-A:8.23, this written consent shall take the place of a meeting of the Directors, and shall constitute a written waiver of notice thereof.

FURTHER

VOTED: We, the directors of Durgin and Crowell, agree to enter into a grant agreement ("Agreement") by and between Durgin and Crowell and the New Hampshire Department of Energy ("NH DOE") pursuant to NH DOE Request for Proposals RFP # 2023-018 (Grant for Renewable Energy Projects in the Nonresidential Sector), under such terms and conditions as agreed to by the directors and NH DOE, and that either Peter B. Crowell or Benjamin R. Crowell, or both, are authorized to sign and execute said contract, and any other related documents required pursuant the contract.



Peter B. Crowell



Benjamin R. Crowell

Intended Effective Date
of Meeting: April 15, 2024



Issue Date: 12/09/2023

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 policies below.

Certificate Holder

Haley Morin
 Durgin and Crowell Lumber Co., Inc.
 PO Box 160
 New London NH, 03257

Certificate of Insurance

Companies Affording Coverage

Company Letter A Lumber Industries Self-Insured Group
 Company Letter B Safety National

This policy is effective at 12:00am on 01/01/2024, and will expire at 12:01 am on 01/01/2025.
 This policy will automatically be renewed unless notified by either party by October 1st of any fund year.

Coverages

This is to certify that the Workers' Compensation and Employer's Liability Insurance has 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.

Type of Insurance/Carrier	Policy Number	Effective Date	Expiration Date	LIMITS
A: Workers' Compensation & Employer's Liability				
Lumber Industries Self-Insured Group	LT0120240017028	01/01/2024	01/01/2025	E.L. Each Accident \$1,000,000 E.L. Disease-Pol Limit \$1,000,000 E.L. Disease-Each Emp \$1,000,000
B: Excess Insurance				
Safety National	SP4067577	01/01/2024	01/01/2025	Workers' Compensation Statutory Employer's Liability \$1,000,000

Description of Operations

Officers Excluded

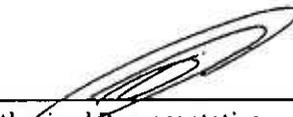
Member

Haley Morin
 Durgin and Crowell Lumber Co., Inc.
 PO Box 160
 New London NH, 03257

Cancellation

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the certificate holder named to the left, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.




 12/09/2023
 Authorized Representative Date