



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES

Thomas S. Burack, Commissioner



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Burack

March 21, 2013

Her Excellency, Governor Margaret Wood Hassan
And the Executive Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Environmental Services (DES) to accept and expend \$53,650 from the State of Arizona, Arizona Geological Survey to complete deliverables for a geothermal energy assessment project, effective upon Governor and Council approval through December 31, 2013. 100% Federal Fund. Funding to be budgeted as follows:

**FY 2013
NH Geothermal Assessment
03-44-44-440010-5048**

Object Class	Title	Current Budget	Requested Change	Revised Budget
Income				
000-406891	Federal Income	(\$171,673)	(\$53,650)	(\$225,323)
Expenditures				
010-500145	Permanent Full Time Employees	\$60,061	\$0	\$60,061
020-500200	Current Expenses	\$1,320	\$1,500	\$2,820
024-500227	Maint Other Than Bldg-Grounds	\$150	\$0	\$150
027-502799	Transfers to DOIT	\$3,588	\$0	\$3,588
028-500292	Transfers to General Services	\$3,458	\$0	\$3,458
030-500302	Equipment	\$2,814	\$0	\$2,814
040-500800	Indirect Costs	\$3,009	\$4,500	\$7,509
041-500801	Audit Fund Set Aside	\$167	\$0	\$167
042-500620	Additional Fringe Benefits	\$6,610	\$0	\$6,610
049-500294	Transfer to Others	\$28	\$0	\$28
050-500109	Part Time Personnel	\$23,666	\$25,500	\$49,166
059-500117	Temporary Employees	\$15,000	\$0	\$15,000
060-500602	Benefits	\$38,502	\$0	\$38,502
066-501709	Employee Training	\$350	\$700	\$1,050
069-500568	Promotional & Marketing Expenses	\$50	\$0	\$50
070-500705	In-State Travel	\$1,900	\$1,000	\$2,900
080-500710	Out-of-State Travel	\$1,000	\$1,450	\$2,450
102-500731	Contracts for Program Services	\$10,000	\$19,000	\$29,000
	Total Expenditures	\$171,673	\$53,650	\$225,323

DES Web Site: www.des.nh.gov

P.O. Box 95, 29 Hazen Drive, Concord, New Hampshire 03302-0095

Telephone: (603) 271-3503 Fax: (603) 271-2181 TDD Access: Relay NH 1-800-735-2964

EXPLANATION

The New Hampshire Geological Survey (NHGS) is the sub-recipient of a grant from the United States Department of Energy, administered by the State of Arizona Geological Survey Department, to collect and compile data that characterize the potential to develop geothermal energy resources within the state. This project builds upon initial efforts that were conducted in the 1970's and capitalizes on GIS technology and improvements in existing bedrock geologic maps to help identify targets for further exploration. Additional funds are being budgeted to support the completion of specific deliverables under an approved scope of work. Existing grant commitments cannot be satisfied without access to these resources.

DES is requesting authorization to accept and expend \$53,650 in additional funds and to budget these funds as follows:

Class 020 *Current Expenses* – An increase is needed to purchase supplies that are used to prepare rock samples for analysis.

Class 040 *Indirect Costs* – An increase is needed since there are additional personnel costs and this class is based on a percentage of personnel costs.

Classes 041, 042, 060 *Audit Set aside, Additional Fringe and Benefits* – Increases in these classes are not needed as there are sufficient funds in these classes to cover the increase in salary costs.

Class 050 *Part Time Personnel* – The funds in class 50 will be used for existing full time and part time staff positions. The funds in class 50 will not be used for new positions. These funds are available in support of an expanded project beyond the original budget scope. These funds will be used to supplant funding of the following positions, which are currently budgeted. An amount of \$10,000 will be used to support additional hours by existing part time project staff.

Position #	Title	Budget 03-44-44-440010	Funding mix	Amount
42721	Environmentalist IV	1551-010	100% Other	\$12,700
43497	Hydrogeologist I	2346-010	100% Federal	\$2,800

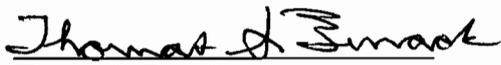
Class 066 *Employee Training* – An increase is needed to enable project staff to attend professional conferences and meetings for the purpose of presenting project findings.

Class 070 *In-State Travel* – An increase is needed to support travel to collect additional geologic samples and geophysical data throughout the state.

Class 080 *Out-of-State Travel* – An increase is needed to support travel to national geothermal energy meetings and conferences.

Class 102 *Contract for Program Services* – An increase is needed increase to support additional temperature profiling of deep bedrock wells by the US Geological Survey.

In the event that Federal funds become no longer available, General funds will not be requested to support this program. We respectfully request your approval.



Thomas S. Burack
Commissioner

**NH Geothermal Assessment
FISCAL SITUATION FY 2013
03-44-44-440010-5048**

Total Federal Award	\$287,558.00
Less Expenditures thru 6/30/12	51,489.94
Remaining Authorization to Budget	236,068.06
Less Current FY13 Budget Authorization	171,673.00
Total Available for Budgeting	64,395.06
REQUESTED ACTION	52,200.00
Available to Budget at a later date	12,195.06

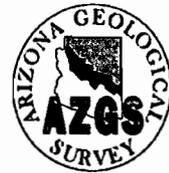
Grant Award Number	<u>Award Amount</u>	<u>Expenses to 6/30/12</u>	<u>Balance</u>
DE-EE0002850	287,558.00	51,489.94	236,068.06



Janice K. Brewer
Governor

State of Arizona
Arizona Geological Survey

416 W. Congress St, Suite 100
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(520) 770-3500



M. Lee Allison, Ph.D., P.G.
Director & State Geologist

January 28, 2013

New Hampshire Geological Survey
PO Box 95, 29 Hazen Dr.
Concord, NH 03302-0095

Attn: Fredrick H. Chormann, Jr., State Geologist and Director

Re: NH-EE0002850 Final Year Budget and Scope of Work

Dear Mr. Chormann,

Thank you for your efforts in revising the Scope of Work and Budget forms for NH-EE0002850. This letter is to confirm the Arizona Geological Survey's intent to continue funding the New Hampshire Geological Survey on NH-EE0002850 for the final year of the project pending final review by the project's Science Advisory Board (SAB) and final submission of Year 1 and Year 2 deliverables. The total amount funded for the project will be \$287,558.

The SAB is meeting virtually on Thursday, February 7, 2013 to conduct the mid-year review and as such, notification of the acceptance of your SOW will be presented shortly thereafter.

Please also note that the Department of Energy has granted the Arizona Geological Survey a no-cost extension on the prime award. Consequently, AZGS is able to provide you a no-cost extension through 12/31/2013 to finalize deliverables for the final year of the project.

The funding release and contract modification will be received by the New Hampshire Geological Survey within 30 days of this letter.

Please contact me if you have any questions.

Best Regards,

Kim Patten
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Kim.patten@azgs.az.gov