



The State of New Hampshire  
**Department of Environmental Services**

Robert R. Scott, Commissioner



July 10, 2017

The Honorable Neal M. Kurk, Chairman  
Fiscal Committee of the General Court  
State House

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

**REQUESTED ACTION**

Pursuant to RSA 14:30-a, VI, authorize the NH Department of Environmental Services (NHDES) to **retroactively** amend Fiscal Committee item# FIS 16-084 (approved on May 20, 2016) and G&C item# 74 (approved on June 1, 2016) by extending the end date to December 31, 2018 from June 30, 2017 for the purpose of helping municipalities reduce the wastewater treatment facility energy costs. 100% Pass-Thru federal funds.

**EXPLANATION**

The funding for the program is currently available through December 31, 2018, through a U.S. Department of Energy (USDOE) grant that was awarded to the New Hampshire Office of Energy and Planning in 2016. Due to the short history of funding, the unique funding scenario, and the lack of certainty of future funding, the decision was made to not place the program in the 2018-2019 biennium budget. This request is **retroactive** because of the inability to obligate funding beyond the biennium budget, necessitating that this item come before the Fiscal Committee and Governor and Council for further authorization after the start of the 18/19 biennium on July 1, 2017.

The purpose of this request is to help municipalities save money at their wastewater treatment facilities by identifying potential energy efficiency improvements. There are 74 municipal wastewater treatment plants in the state and they account for up to 40 percent of a municipality's energy consumption. The project will help all 74 plants benchmark their current energy use and will provide comprehensive energy audits and technical assistance to up to 24 of them. This work will identify cost-effective strategies for enhancing efficiency, potentially reducing electric energy usage at participating wastewater treatment facilities by up to 30%. To date, \$242,920 of the original \$285,000 grant has been spend and/or obligated.

We respectfully request your approval of this time extension.

  
for Robert R. Scott, Commissioner



The State of New Hampshire  
Department of Environmental Services



Thomas S. Burack, Commissioner

April 28, 2016

APPROVED  
FISCAL COMMITTEE

The Honorable Neal M. Kurk, Chairman  
Fiscal Committee of the General Court  
State House  
Concord, NH

DATE 5/20/16  
ITEM # FIS 16-084

Her Excellency, Governor Margaret Wood Hassan  
And the Honorable Council  
State House  
Concord, New Hampshire 03301

APPROVED G & C

DATE 6/1/16  
ITEM # 74

REQUESTED ACTION

Pursuant to RSA 14:30-a:VI, authorize the Department of Environmental Services (DES) to accept and expend \$285,000 in Pass-Thru Federal Department of Energy funds from the Office of Energy and Planning to complete a project to help municipalities reduce the energy related costs of operating their wastewater treatment facilities, effective upon Fiscal Committee and Governor and Council approval through June 30, 2017. Funding is to be budgeted as follows:

Energy Efficiency Grants  
03-44-44-442010-52090000  
FY2016

Class	Budget Category	Current Budget	Requested Action	Revised Budget
<b>Income</b>				
001-404984	Energy Efficiency Grants	\$0	(\$285,000)	(\$285,000)
<b>Expenditures</b>				
020-500200	Current Expense	\$0	\$280	\$280
040-500800	Indirect Costs	\$0	\$4,149	\$4,149
042-500620	Additional Fringe Benefits	\$0	\$4,035	\$4,035
050-500109	Personnel Part-Time	\$0	\$46,112	\$46,112
060-500601	Benefits	\$0	\$17,983	\$17,983
070-500705	In-State Travel	\$0	\$1,941	\$1,941
102-500731	Contracts for Program Services	\$0	\$210,500	\$210,500
	<b>TOTAL</b>	\$0	\$285,000	\$285,000

www.des.nh.gov

29 Hazen Drive • PO Box 95 • Concord, NH 03302-0095  
(603) 271-3503 • TDD Access: Relay NH 1-800-735-2964

The Honorable Neal M. Kurk, Chairman  
Fiscal Committee of the General Court and

Her Excellency, Governor Margaret Wood Hassan  
And the Honorable Council

Page 2 of 2

**EXPLANATION**

The purpose of this Pass Through federal grant is to help municipalities save money at their wastewater treatment facilities by identifying potential energy efficiency improvements. There are 74 municipal wastewater treatment plants in the state and they account for up to 40 percent of a municipality's energy consumption. The project will help all 74 plants benchmark their current energy use and will provide comprehensive energy audits and technical assistance to up to 24 of them. This work will identify cost-effective strategies for enhancing efficiency, potentially reducing electric energy usage at participating wastewater treatment facilities by up to 30%.

This is a new grant received after the closing of the FY 2016/2017 budget cycle. The timing of the grant receipt did not allow for creation of new accounts needed to request the acceptance and expenditure of this grant money during the FY2016/2017 budget cycle.

DES is requesting authorization to accept and expend \$285,000 in federal funds and to budget these funds as follows:

Class 020 *Current Expense* – Funds to cover materials and supplies that will be used by staff in completion of this work.

Classes 040, 042, 060 *Indirect Cost, Additional Fringe, and Benefits* – Funds in each class respectively, are necessary since there are personnel costs and these classes are based on a percentage of personnel costs.

Class 050 *Personnel Part-Time Employees* – The funds in class 050 will be used for existing staff positions. These funds will be used to supplant funding of the following position, which is currently budgeted. Funding that is budgeted in the accounts for the current position referenced below will either be lapsed or closed-to-control.

Position #	Title	Account (03-44-44)	Funding	Amount
12111	Civil Engineer V	441018-2002-010	100% Federal	\$44,396

Class 070 *In-State Travel* – A small amount of travel utilizing state vehicles is anticipated for the work being conducted.

Class 102 *Contracts for Program Services* – This is for contract work to conduct research, collect information, conduct technical analysis, and draft reports in support of the project.

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

We respectively request your approval.

  
Thomas S. Burack, Commissioner



MARGARET WOOD HASSAN  
GOVERNOR

STATE OF NEW HAMPSHIRE  
OFFICE OF ENERGY AND PLANNING  
107 Pleasant Street, Johnson Hall  
Concord, NH 03301-3834  
Telephone: (603) 271-2155  
Fax: (603) 271-2615



February 25, 2016

Sharon Rivard, Civil Engineer V  
Department of Environmental Services  
Revolving Loan Fund  
29 Hazen Drive, PO Box 95  
Concord, NH 03302-0095

RECEIVED  
FEB 29 2016  
DES-WEB

RE: Memorandum of Agreement between the Office of Energy and Planning and the Department of Environmental Services in the amount of \$285,000.00 to complete a project to help municipalities reduce the energy-related costs of operating their wastewater treatment facilities, effective February 10, 2016 through December 31, 2018.

Dear Ms. Rivard:

I have enclosed for your records the Agreement between the Office of Energy and Planning and the Department of Environmental Services for the above-referenced project.

**Please reference PO 1048461 when submitting invoices for payment.**

The Department of Energy is the federal funding source for this contract. Please reference Grant #DE-FE0007223, and CFDA #81.119 on your Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) as required by OMB Circular A-133.

Should you have any questions regarding this contract, please contact Rick Minard at 603-271-2155.

Sincerely,

Barbara Shea  
Fiscal Manager

cc: Michael Bradley, DES  
Rick Minard, OEP

Enclosure



STATE OF NEW HAMPSHIRE  
 OFFICE OF ENERGY AND PLANNING  
 107 Pleasant Street, Johnson Hall  
 Concord, NH 03301-3834  
 Telephone: (603) 271-2155  
 Fax: (603) 271-2615



MARGARET WOOD HASSAN  
 GOVERNOR

January 8, 2016

Her Excellency, Governor Margaret Wood Hassan  
 And the Honorable Council  
 State House  
 Concord, New Hampshire 03301

Approval by the Governor  
 and Council on 02-10-16  
 Agenda Item 31  
 PO 1048461

**REQUESTED ACTION**

Authorize the Office of Energy and Planning (NHOEP) to enter into a Memorandum of Agreement (MOA) with the Department of Environmental Services (NHDES), Vendor #177894, Concord, New Hampshire in the amount of \$285,000.00 to complete a project to help municipalities reduce the energy-related costs of operating their wastewater treatment facilities, effective February 10, 2016, upon Governor & Council approval through December 31, 2018.  
 100% Federal Funds (US Dept. of Energy-State Energy Program)

Funding is available in the following account, with the authority to adjust encumbrances in each of the state fiscal years through the Budget Office, if needed and justified:

<u>Office of Energy &amp; Planning, State Energy Programs</u>	<u>FY 2016</u>
01-02-02-024010-65100000	
102-500731 Contracts for Program Services	\$285,000.00

**EXPLANATION**

The agreement formalizes the terms by which NHDES will work with NHOEP to help municipalities save money at their wastewater treatment facilities. There are 74 municipal wastewater treatment plants in the state and they account for up to 40 percent of a municipality's energy consumption. The project will help all 74 plants benchmark their energy use and then deliver comprehensive energy audits and technical assistance to up to 24 of them. This work will identify cost-effective strategies for enhancing efficiency. NHDES estimates that the participating plants will be able to reduce their energy bills by a total of \$1.8 million per year.

In the event Federal Funds are no longer available, General Funds will not be requested to support this program.

Respectfully requested,

Meredith A. Hatfield  
 Director

**Memorandum of Agreement  
Between  
New Hampshire Office of Energy and Planning  
and  
New Hampshire Department of Environmental Services**

**1. Subject:**

U.S. Department of Energy Grant (award number: DE-EE0007223) to conduct a three-year project to help New Hampshire municipalities identify and invest in energy efficiency measures at their wastewater treatment plants to reduce municipal energy costs (“NH Wastewater Efficiency Grant”).

The Department of Energy (USDOE) has awarded \$300,000 to the New Hampshire Office of Energy and Planning (NHOEP) to implement a project developed jointly with the NH Department of Environmental Services (NHDES). This MOA describes the mutual obligations of the two agencies to ensure successful completion of the project.

NHOEP and NHDES have secured commitments from the state’s “Core<sup>1</sup>” natural gas and electric utilities to provide the required \$60,000 match.

This MOA covers the period from the Governor and Executive Council’s approval of NHOEP’s contract with USDOE through December 31, 2018.

**2. Agency Roles**

For the purposes of this Agreement, NHOEP and NHDES agree as follows:

**NHDES will:**

- A. Assign responsible staff to lead this initiative;
- B. Contract with energy auditors and others as needed;
- C. Ensure that the match obligation of the Core utilities is met during the project;
- D. Oversee, implement, and ensure satisfactory completion of the elements in the Statement of Project Objectives (SOPO) defining NHOEP’s obligations to USDOE;
- E. Provide timely data and reports to OEP to meet OEP’s reporting obligations to USDOE;
- F. Provide quarterly invoices to NHOEP no later than 20 days after the end of each quarter, as discussed in Section 7, below; and
- G. Meet with NHOEP, as needed, to coordinate work activities, publications, and reports.

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<sup>1</sup> The term “Core” refers to the statewide ratepayer-funded energy efficiency programs administered by the state’s regulated electric and natural gas utilities and the NH Electric Cooperative.

**NHOEP will:**

- H. Provide NHDES with funding as described under the section entitled PROJECT COSTS;
- I. Assign an NHOEP staff member to serve as project manager and as liaison with NHDES and USDOE;
- J. Meet with NHDES as needed to coordinate work activities, publications, and reports;
- K. Submit to USDOE all required reports and respond to all inquiries regarding the program by USDOE and other agencies;
- L. Provide payment within 30 days of receipt of an invoice that meets state and federal standards for completeness and allowable costs.

**3. The Statement of Program Objectives (SOPO) and Milestones**

The SOPO developed in collaboration with USDOE is the broad outline of the project's schedule, tasks, and deliverables. The SOPO will guide work by NHDES and NHOEP unless all parties agree to modify the SOPO or the milestones it designates. The SOPO is attached to this MOA.

NHDES will present to NHOEP detailed implementation plans for each task (e.g., benchmarking and data analysis, selecting facilities for audits, convening training sessions), consistent with the SOPO, no later than 30 days before the start of each task. NHDES and NHOEP will agree on these detailed plans before implementing them, and NHOEP will respond with approvals or suggestions within 15 days of receipt. Both parties will strive to expedite agreements and will work to engage USDOE in the process as appropriate.

**4. Reporting**

NHOEP must file quarterly reports in USDOE's PAGE system within 30 days of the end of each quarter. NHDES will facilitate this process by submitting quarterly reports to NHOEP that will meet USDOE's needs, within 20 days after the end of each quarter. Data points are likely to include:

- a. the number of WWTFs benchmarked in the previous quarter;
- b. the number of workshops conducted with attendance records and agendas;
- c. the number of energy audits completed;
- d. the number of technical assistance site visits conducted;
- e. a description of any outreach and education NHDES conducted in the previous quarter to promote WWTF energy efficiency and the number of recipients;
- f. the calculated annual and lifetime energy savings from energy saving measures implemented to date; and
- g. the calculated annual and lifetime energy savings from energy saving measures identified through energy audits and technical assistance to date.

NHOEP will work with NHDES to develop a reporting template that will be completed no later than February 20, 2016.

### **5. Implementation Model**

A key deliverable of this project is an "implementation model," which DOE describes as a short report that would help other states succeed with a similar project. The model will require both NHOEP and NHDES to reflect on successes and challenges and jointly create a narrative supported by analysis that will be useful to others.

### **6. Project Costs:**

NHOEP shall provide NHDES funding in the amount of \$285,000 to complete the work in the Statement of Project Objectives.

NHDES will work closely with the Core utilities to ensure that they contribute and document their \$60,000 share in cash and services that constitute the project's non-federal match.

The project is to be funded exclusively through the DOE grant and the Core utilities' match. In the event that these resources become unavailable, no General Funds will be used.

### **7. Invoicing:**

NHDES will submit detailed invoices and related backup documentation within twenty (20) days following the close of each fiscal quarter. Invoices will include financial reports from the Core utilities, as appropriate.

### **8. Termination:**

Either party may terminate this agreement upon providing written notice to the other, thirty (30) days prior to termination. Upon termination, NHDES will be paid for all approved work completed prior to termination.

### **9. Duration:**

The project duration extends from January 1, 2016, pending approval by the Governor and Executive Council, through December 31, 2018 for program activities, invoicing and program year closeout, unless terminated by either party, or extended in writing by subsequent agreement of the parties and approval by the Governor and Executive Council.

IN WITNESS WHEREOF, the respective parties have hereunto set their hands on the dates indicated.

Meredith A. Hatfield  
Meredith A. Hatfield, Director  
NH Office of Energy and Planning

1/8/16  
Date

Thomas S. Burack  
for Thomas S. Burack, Commissioner  
NH Department of Environmental Services

1/11/16  
Date

Approved by Attorney General this 16<sup>th</sup> day of January, 2016, as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

By: Christopher G. Aslin  
Christopher G. Aslin

Title: Assistant Attorney General

I hereby certify that the foregoing agreement was approved by the Governor and Council of the State of New Hampshire at their meeting on \_\_\_\_\_, \_\_\_\_\_.

OFFICE OF THE SECRETARY OF STATE

By: [Signature]

**DEPUTY SECRETARY OF STATE**

Date: FEB 10 2016

Attachment:  
USDOE Statement of Project Objectives