

THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Martin P. Honigberg

COMMISSIONERS
Robert R. Scott
Kathryn M. Bailey

EXECUTIVE DIRECTOR
Debra A. Howland



PUBLIC UTILITIES COMMISSION

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GR 49

April 14, 2017

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

His Excellency and Honorable Councilors:

REQUESTED ACTION

Authorize the New Hampshire Public Utilities Commission (Commission) to award grant funds in the amount of \$150,000 to Bantam Realty Trust L.L.C., vendor number 278434, to install and operate a wood chip biomass fired heating system at its property in Keene, New Hampshire from Governor and Council approval through June 30, 2018. Funding is 100% Renewable Energy Funds, a non-lapsing special fund continually appropriated to the Commission pursuant to RSA 362-F:10.

02-81-81-811510-54540000 Renewable Portfolio Standard 362-F:10

	FY2017	Total
010-081-54540000-073-500579 Grants to Institutions – State	\$150,000.00	\$150,000.00

EXPLANATION

Pursuant to RSA 362-F:10, the Commission is charged with administering the Renewable Energy Fund (REF), the purpose of which is to support thermal and electrical renewable energy initiatives. On September 30, 2016, the Commission issued a Request for Proposals (RFP) pursuant to RSA 362-F:10 XI that requires the Commission to issue, on an annual basis, an RFP for renewable energy projects in the commercial and industrial sectors funded by grants from the REF.

The Commission received seven (7) proposals requesting a total of approximately \$1.9 million in funds in response to the RFP. Bantam Realty Trust L.L.C. and five (5) others have been selected to receive a total of \$1,272,425 in this funding round. Attachment A provides additional information on the grant review and award process and Attachment B provides a summary of all 2016 competitive grant awards.

With these funds, Bantam Realty Trust L.L.C. will install and operate a wood chip biomass boiler heating system, including the creation of a new interior boiler room area, exterior silo and integration into the existing hydronic heat distribution system, at its 110,000 square foot facility in Keene, New Hampshire. The new boiler will be fueled by Precision Dry Wood Chips (PDC); a growing biomass fuel industry in New Hampshire. The building houses the offices and production area of Filtrine Manufacturing and several other businesses. The project's technical and funding details are described in Attachment C, Project Specific Facts and Figures.

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

Respectfully submitted,



Martin P. Honigberg
Chairman

Attachments:

Agreement with Exhibits

Attachment A - 2016 Grant Review Process

Attachment B - Table of 2016 REF Grant Awards

Attachment C- Project Specific Facts and Figures

ATTACHMENT A – 2016 GRANT REVIEW PROCESS

The Public Utilities Commission (PUC) issued a Request for Proposals (RFP) on September 30, 2016 for renewable energy projects in the commercial and industrial sectors 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. The RFP required that the project create certain classes of renewable energy certificates, which would be available for use by electricity providers for compliance with the renewable portfolio standard requirements in New Hampshire. Pursuant to RSA 362-F:10, the RFP is funded with monies from the Renewable Energy Fund and issued on an annual basis.

The RFP was widely circulated electronically to members of the Energy Efficiency and Sustainable Energy Board (EESE Board), regular attendees at EESE Board meetings, additional stakeholders known to have an interest in energy policy and programs, the Granite State Hydropower Association, and the NH Municipal Association. The RFP was posted on the PUC website for the full submission period, and was advertised in the New Hampshire Union Leader on October 3, 4, and 5, 2016. All responses were due by October 28, 2016. The Commission received seven (7) proposals requesting a total of \$1.87 million in grant funds for projects with a combined estimated project value of \$8.79 million.

The PUC employed a two-tier grant review process to evaluate the proposals. The initial review team consisted of three members including Stephen Eckberg (PUC Sustainable Energy Division), Joe Fontaine (DES Air Resources Division) and Rick Minard (NH Office of Energy and Planning)¹. The second tier review team consisted of Public Utilities Commissioners including: Chairman Martin Honigberg; Commissioner Robert Scott; and Commissioner Kathryn Bailey.

The initial review team scored all proposals using the scoring criteria set forth in the RFP and those requirements set forth in NH Code of Administrative Rules Puc 2508.02 (b) and (c). The team scored all proposals using the pre-published scoring criteria developing a score for each from 0-100 points. Following the initial scoring, the team interviewed six (6) applicants. The review team assigned values for the factors outlined in the RFP which resulted in the final scores; ranks; and funding recommendations.

The initial review team met with the Commissioners to brief them on the committee's recommendations. The Commissioners were provided with project descriptions for those projects recommended for funding and had an opportunity to ask questions of members of the initial review team. The Commissioners approved the review team's recommendations to award grant funds for six (6) renewable energy projects totaling \$1,272,425.

¹ Oversight was provided by Karen Cramton, Director of the PUC's Sustainable Energy Division.

Attachment B

Proposed Renewable Energy Project Competitive Grant Awards 2016

	Town/City	Technology (Capacity)	Total Project Costs	Proposed Grant Funding	Annual Renewable Energy Credits & Type	Cost Effectiveness (Grant \$ / 10yrs-REC)	Contract End Date
Sugar River Power, LLC	Claremont	Hydro Electric (1,350 kW)	\$739,425	\$169,425	5,418 Class IV (or Class I)	\$3.13	6/30/2018
University of New Hampshire	Durham	Biomass Thermal	\$1,260,000	\$300,000	1,600 Class I Thermal	\$18.75	6/30/2018
Bantam Realty Trust, L.L.C.	Keene	Biomass Thermal	\$330,700	\$150,000	756 Class I Thermal	\$19.79	6/30/2018
Jaffrey-Rindge Cooperative School District (SAU 47)	Jaffrey	Biomass Thermal	\$800,000	\$280,000	1,125 Class I Thermal	\$33.33	6/30/2018
Contoocook Hydro, LLC	Peterborough	Hydro Electric (100 kW)	\$259,250	\$173,000	710 Class IV (or Class I)	\$24.37	6/30/2018
Merrimack County	Boscawen	Biomass Thermal	\$2,717,415	\$200,000	2,784 Class I Thermal	\$7.18	6/30/2018
TOTAL			\$6,106,790	\$1,272,425			

Attachment C
Bantam Realty Trust, L.L.C.
Facts and Figures

Bantam Realty Trust will retrofit a new biomass boiler system into an existing commercial building including the creation of a new interior boiler room area, exterior silo and integration into the existing hydronic heat distribution system. The site will be the seventh Precision Dry Wood Chips (PDC) system in New Hampshire. It will increase the market demand for PDCs, an important new biomass fuel, by an average of 249 tons per year. PDC fuel costs 30% less than conventional bulk wood pellets, and at an assumed fuel oil price of \$2.50/gal the system is expected to generate lifetime fuel cost savings of over \$800,000.

Technical Specifications:

Nameplate Rating: The Viessmann Vitoflex 300-RF Model KRT-300 which has been proposed for this project has a gross heat input power capacity rating of 1.219 million BTU/hour and a net heat output rating of 1.024 million BTU/hour. The Nameplate net heat output power capacity rating is 300 Kilowatts. The boiler has a 4 stage turndown capability (100% 75%, 50% and 25% of maximum) and will shut down if no further heat is needed. The boiler will ignite itself when demand rises again.

Grant Cost Effectivenessⁱ : \$19.79/REC

Funding Analysis:

Total Project Cost:	\$330,700
Leveraged Funds:	\$180,700
Grant Amount:	\$150,000 (approximately 45% of total project cost)
Payback Period ⁱⁱ	7.5 years (based on Total Project Cost and Generation Value) 4.1 years (based on Leveraged Funds and Generation Value)

Financial and Environmental Benefits:

Energy Generation:	Thermal equivalent of 23,276 gals. fuel oil
Generation Value ⁱⁱ :	\$18,900 (RECs) + \$24,900 (Fuel Savings) = \$43,800
Life Expectancy:	20+ years
CO ₂ Avoided:	304 tons/year

Renewable Portfolio Standard RSA 362-F:1 Criteria:

- Generates 756 Class I Thermal renewable energy certificates (RECs) per year
- Supports fuel diversity & keeps energy dollars in state
- Expands business and jobs
- Reduces the amount of greenhouse gases, nitrogen oxides and particulate matter emissions; thereby improving air quality and public health

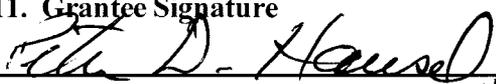
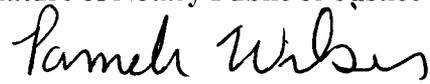
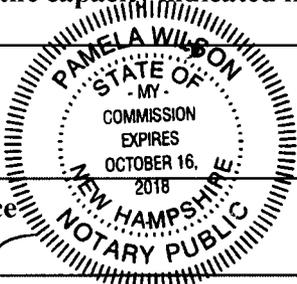
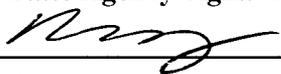
ⁱ The PUC used a metric defined as the grant amount divided by the total estimated number of RECs over ten (10) years of energy production as a key criteria in evaluating and choosing grantees.

ⁱⁱ Simple payback calculated based only on total project costs (and leveraged funds) and generation value for ease of comparison among all project proposals. Alternative Compliance Payment value of Class I Thermal RECs = \$25 therefore 756 RECs / year = \$18,900 Generation Value. Fuel savings value calculated using \$2.50/gallon fuel oil versus \$120/ton PDC.

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

GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name Public Utilities Commission		1.2. State Agency Address 21 S. Fruit St., Suite 10, Concord NH 03301-2429	
1.3. Grantee Name Bantam Realty Trust, LLC.		1.4. Grantee Address 15 Kit Street Keene NH, 03431	
1.5. Effective Date May 3 2017	1.6. Completion Date June 30, 2018	1.7. Audit Date	1.8. Grant Limitation \$150,000
1.9. Grant Officer for State Agency Karen Cramton		1.10. State Agency Telephone No. 603-271-2413	
1.11. Grantee Signature 		1.12. Name & Title of Grantee Signor Peter Hansel, Manager	
1.13. Acknowledgment: State of <u>New Hampshire</u> , County of <u>Chester</u> , on <u>04/10/2017</u> , Before the undersigned officer, personally appeared the person identified in block 1.11., known to me (or satisfactorily proven) to be the person whose name is signed in block 1.12., and acknowledged that he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace (Seal) 			
1.13.2. Name and Title of Notary Public or Justice of the Peace <u>Pamela Wilson - Head Teller</u>			
1.14. State Agency Signature(s) 		1.15. Name & Title of State Agency Signor(s) <u>Martin P. Howigberg, Chairman</u>	
1.16. Approval by Attorney General (Form, Substance and Execution)			
By: 		Assistant Attorney General, On: <u>4/19/17</u>	
1.17. Approval by the Governor and Council			
On: <u> / / </u>			

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

Initials PCH
Date 4/10/17

3. EFFECTIVE DATE; COMPLETION OF PROJECT.

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

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

4. GRANT AMOUNT; MANNER OF PAYMENT; LIMITATIONS.

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

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

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

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

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

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

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

7. RECORDS AND ACCOUNTS.

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

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

8. PERSONNEL.

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

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

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

9. DATA; RETENTION OF DATA; ACCESS.

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

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

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

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

11. EVENT OF DEFAULT; REMEDIES.

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

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

11.1.2. failure to submit any report required hereunder; or

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

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

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

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

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

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

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

12. TERMINATION.

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

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

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

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

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

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

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

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

Initials SOH
Date 4/10/17

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

17. INSURANCE AND BOND

- 17.1. The Grantee shall, at its sole expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:
- 17.1.1 statutory worker's compensation and employees liability insurance for all employees engaged in the performance of the Project, and
- 17.1.2 comprehensive general liability insurance for all claims of bodily injuries, death or property damage, in amounts not less than \$2,000,000 for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and

- 17.2 The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than ten (10) days after written notice thereof has been received by the State. A certificate of insurance demonstrating compliance with subparagraphs 17.1 and 17.2 shall be attached to this Grant Agreement.
18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure or waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.
19. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.
20. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire.
21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intent of the parties hereto.
22. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.
23. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

Initials POH
Date 4/10/17

EXHIBIT A

SCOPE OF SERVICES

In exchange for receiving grant funds in the amount of up to \$150,000 from the New Hampshire Public Utilities Commission (PUC), Bantam Realty Trust LLC (Grantee) agrees to build and activate a 300 kW (approx. 1.024 MMBTU/hour) biomass boiler heating system identified as the Project located in its facility in Keene, NH. Specifically, Grantee agrees to:

1. Install and operate a biomass boiler heating system at 15 Kit Road in Keene New Hampshire.
2. Perform electrical and mechanical upgrades to the facility as necessary.
3. Maintain the system and system components as recommended by the manufacturer and engineering specifications.
4. Provide the PUC with reports and status updates as specified below in the section regarding "Deliverables."
5. Submit a complete application to the PUC for the biomass boiler's thermal output capacity to become eligible to produce renewable energy certificates (RECs).
6. Market the RECs to electricity providers in New Hampshire for compliance with the state's renewable portfolio standard law, RSA 362-F.
7. Acknowledge the Renewable Energy Fund as a source of funds used for the project in any literature, press release, or public discussion of the project.

Except as otherwise provided in this contract, the requirements set forth in the PUC's Request for Proposals issued September, 30, 2016 and Grantee's Proposal dated October, 28, 2016 are incorporated herein by reference as further defining the scope of services to be rendered by Grantee.

DELIVERABLES

The Grantee agrees to prepare and submit written progress reports to the PUC, in a form and manner prescribed by the PUC, 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	Through 6/30/2017	8/1/2017	Project progress, development & construction, significant accomplishments.
Report #2	7/1/2017 – 9/31/2017	11/1/2017	Same as above.
Report #3	10/1/2017 – 12/31/2017	2/1/2018	Same as above.
Report #4	1/1/2018 – 3/31/2018	5/1/2018	Same as above.

Grantee Initials

Date

BTH
4/10/17

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Report #5	4/1/2018 – 6/30/2018	8/1/2018	Same as above.
Annual Report	Calendar Years 2017 - 2027	2/1/yyyy	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 Biomass Thermal Heat facility shall include, at a minimum, the following:

1. The quantity of thermal energy produced (in MMBTU and kilowatt-hour equivalent generated) during the preceding calendar year;
2. The number of RECs produced during the preceding calendar year; and
3. The number of RECs sold during the preceding calendar year.

Grantee Initials *PHH*
Date *4/10/17*
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EXHIBIT B

GRANT AMOUNT, TERMS AND METHODS OF PAYMENT

1. This grant agreement commences upon approval by Governor and Executive Council and concludes on June 30, 2018.
2. In consideration of the satisfactory performance of the obligations described in Exhibit A as determined by the State, the State agrees to pay an amount not to exceed \$150,000 to Bantam Realty Trust LLC (Grantee), pursuant to the terms and conditions specified in this Exhibit B.
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 state and local permits, licenses, consents, and approvals required for construction, installation and operation of the project	August 30, 2017
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Grantee shall use reasonable best efforts to achieve the foregoing milestones by the dates set forth in the table above. The Commission 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 or for incorporation into the project.
5. Grantee may submit reimbursement requests to the PUC, with full supporting documentation, as obligations described in Exhibit A have been met and subject to the conditions stated in paragraphs 3 and 4 above. Reimbursement requests shall be submitted not more frequently than once per month. The amount of \$15,000 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 a complete application to the PUC 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 B.

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

Grantee Initials PDH
Date 4/10/17
Page 1 of 2

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 A, 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, 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 submitted in compliance with this Exhibit B 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.

Grantee Initials

Date

PAH
4/12/17

Page 2 of 2

EXHIBIT C

SPECIAL PROVISIONS

1. Grantee is not an "employer" required to obtain and maintain worker's compensation and employee's liability insurance under Paragraph 17.1.1 of the General Provisions, because it is a special purpose limited liability company with no more than three members, managers, and/or executive officers, and it has no other employees, pursuant to RSA 281-A:2, VIII. Accordingly, Paragraph 17.1.1 of the General Provisions is deleted from the contract.
2. In lieu of the insurance requirements set forth in Paragraph 17.1.2 of the General Provisions, the Commission will accept comprehensive general liability insurance in the following amounts:
 - \$1,000,000 for each occurrence
 - \$ 300,000 for damage to rented premises (each occurrence)
 - \$ 10,000 for medical expenses (any one person)
 - \$1,000,000 for personal and advertising injury
 - \$2,000,000 for general aggregate
 - \$2,000,000 for products liability/completed operations in aggregate
 - \$1,000,000 for employee benefits

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that BANTAM REALTY TRUST, L.L.C. is a New Hampshire Limited Liability Company registered to transact business in New Hampshire on May 28, 1998. 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: 293732



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 10th day of April A.D. 2017.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

MEMBER RESOLUTION
of
Bantam Realty Trust, L.L.C

We the undersigned, being all of the members of the Bantam Realty Trust, L.L.C., and New Hampshire limited liability company (the "Company") do hereby consent and agree to the following resolution:

RESOLVED, that the Company will enter into a contract with the State of New Hampshire Public Utilities Commission to receive a grant from the Renewable Energy Fund for the installation of a biomass central heating system at its facility at 15 Kit Street in Keene, New Hampshire;

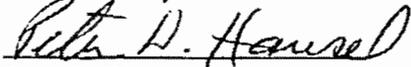
RESOLVED, that Peter D. Hansel, Managing Member of the Company, be authorized to execute any and all documents for the Company in regard to said contract;

RESOLVED, to ratify, confirm, adopt and approve all acts of the Managing Member and his agents of the Company performed for and on behalf of the Company up to and including the date of these Consent Resolutions; and

RESOLVED, that Peter D. Hansel, Managing Member, is hereby authorized and directed to take any and all actions as he may deem necessary or appropriate to implement the forgoing Resolutions.

Notice of, and all other formalities in connection with, these consent resolutions and the action taken therein are hereby waived.

Dated: 4/10/17



Peter D. Hansel



Charles T. Hansel



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/10/2017

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

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

PRODUCER FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Lynn Blanchard, CIC, CISR PHONE (A/C, No, Ext): (603) 669-3218 E-MAIL ADDRESS: lblanchard@crossagency.com	FAX (A/C, No): (603) 645-4331
	INSURER(S) AFFORDING COVERAGE	
INSURED The Filtrine Manufacturing Company, Inc. Bantam Realty Trust, LLC 15 Kit Street Keene NH 03431	INSURER A: Charter Oak Fire Ins Company	
	INSURER B: The Travelers Indemnity Co. & its	
	INSURER C: Travelers Property Casualty Company	
	INSURER D:	
	INSURER E:	
INSURER F:		NAIC # 25674

COVERAGES **CERTIFICATE NUMBER:** Bantam 2016-2017 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		630-9260M299	12/31/2016	12/31/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Employee Benefits \$ 1,000,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		BA1213N091	12/31/2016	12/31/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Business Auto Extension \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0		CUP1213N110	12/31/2016	12/31/2017	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER NH Public Utilities Commission 21 S Fruit Street, #10 Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE R Kittle, LPCS, CLCS/ <i>Robin Kittle</i>
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