



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES

Thomas S. Burack, Commissioner



January 14, 2014

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 **retroactively** accept and expend \$21,019 from the State of Arizona, Arizona Geological Survey to complete a geothermal energy assessment project, as of December 1, 2013 through March 31, 2014, effective upon Governor and Council approval. 100% Federal Fund. Funding to be budgeted as follows:

**FY 2014
 NH Geothermal Assessment
 03-44-44-440010-5048**

Class	Budget Category	Current Budget	Requested Action	Revised Budget
Income				
000-404222	Hazard Resiliency & Adaptation	(\$84,967)	(\$21,019)	(\$105,986)
Expenditures				
020-500200	Current Expense	\$800	\$0	\$800
024-500227	Maint Other Than Bldg-Grounds	\$150	\$0	\$150
030-500302	Equipment New Replacement	\$1,000	\$0	\$1,000
039-500188	Telecommunications	\$520	\$0	\$520
040-500800	Indirect Costs	\$3,595	\$0	\$3,595
041-500801	Audit Fund Set Aside	\$87	\$19	\$106
042-500620	Additional Fringe Benefits	\$1,575	\$3,000	\$4,575
050-500109	Personnel Full-Time Temp	\$21,340	\$18,000	\$39,340
059-500117	Salary Temporary Employees	\$15,000	\$0	\$15,000
060-500601	Benefits	\$12,100	\$0	\$12,100
066-501709	Employee Training	\$350	\$0	\$350
069-500568	Promotional & Marketing Expenses	\$50	\$0	\$50
070-500705	In-State Travel	\$1,450	\$0	\$1,450
080-500716	Out Of State Travel	\$750	\$0	\$750
102-500731	Contracts for Program Services	\$26,200	\$0	\$26,200
	TOTAL	\$84,967	\$21,019	\$105,986

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. This request is **retroactive** because the amount of the labor required to complete all of the project deliverables by the December 31, 2013 deadline was underestimated when funds were last budgeted. Significant additional labor was dedicated during the final months of the project. Additional funds are being budgeted to close-out the grant following completion of all deliverables under the approved scope of work. Existing grant obligations cannot be satisfied without access to these resources.

DES is requesting authorization to accept and expend \$21,019 in additional funds and to budget these funds as follows:

Class 041 *Audit Set Aside* – An increase in this class is needed for the increase in federal funds.

Class 042 *Additional Fringe Benefits* – An increase in this class is needed as there are insufficient funds to cover the increased salary costs.

Class 050 *Part Time Personnel* – The additional amount of \$18,000 will not be used for new positions. These funds are available in support of an expanded project beyond the original budget scope. Employee support from other Department of Environmental Services organization units will be used to administer the program. These funds will be used to supplant funding of the following positions, which are currently budgeted.

Position #	Title	Account 03-44-44	Funding	Amount
42721	Environmentalist IV	440010-3851-010	100% General	\$13,161
43497	Hydrogeologist I	442010-2346-010	100% Federal	\$4,839

Funding in the amount of \$18,000, which is budgeted for the current positions referenced above, will be either lapsed or closed to control, resulting in a net-zero increase in budgeted funds.

There are sufficient funds in classes 60-Benefits and 41-Indirect Costs to cover the increased salary costs.

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 2014
03-44-44-440010-5048**

Total Federal Award	\$287,558.00
Less Expenditures thru 6/30/13	<u>169,676.97</u>
Remaining Authorization to Budget	117,881.03
Less Current FY14 Budget Authorization	<u>84,967.00</u>
Total Available for Budgeting	32,914.03
REQUESTED ACTION	<u>21,019.00</u>
Available to Budget at a later date	11,895.03

Grant Award Number	<u>Award Amount</u>	<u>Expenses to 6/30/13</u>	<u>Balance</u>
DE-EE0002850	287,558.00	169,676.97	117,881.03



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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