



# COMMONWEALTH WIND

## **SOLICITATION:** DEVELOPMENT GRANTS COMMUNITY WIND AND COMMERCIAL WIND PROJECTS

**Posted:** July 3, 2013

**NOTICE:** This Development Grant Solicitation is offered under the framework presented in the Commonwealth Wind Program Manual for Community and Commercial Wind Projects (“Program Manual”). All applicants must comply with the provisions stated in the Program Manual. Many terms used in this Solicitation are defined in the Program Manual. All documents are available on the [Development Grant Solicitation](#) page.

### 1. INTRODUCTION

The Massachusetts Clean Energy Center (“MassCEC”) is pleased to invite applications for the development of Community Wind and Commercial Wind projects.

The Development Grant is applicable only to eligible entities and projects that have demonstrated sufficient development progress. Applicants are typically assisted by consultants or contractors who provide analysis and assistance in the application process. This Solicitation describes the general scope, grant levels, application process and payment process.

As the program evolves over time, this Solicitation may be updated or withdrawn without notice and applications will not be accepted until an updated Solicitation is released. However, MassCEC expects applications will be accepted through this or updated versions of this Solicitation through May 15, 2014. MassCEC reserves the right, in its sole discretion, to cancel all or part of this Solicitation at any time prior to awards.

## 2. DEVELOPMENT GRANT PROGRAM OFFERING

Presented below are details of the Commonwealth Wind Development Grant based upon Project Type. Commonwealth Wind Program Offerings are designed and intended to guide wind project proponents through the detailed analysis and community engagement necessary to evaluate proposed projects and to support the development of projects that demonstrate appropriate siting.

Funding for Community Wind Projects: Projects that will be structured as Community Wind projects, as defined in the Program Manual, are eligible for Development Grants to support the development and construction phases of a wind project. These grants may be used to reimburse costs associated with project development (such as application for permits, geotechnical studies, public outreach, interconnection studies, design of the foundation or electrical system, environmental impact evaluation, endangered species assessment, financial analysis, etc.) and construction (such as turbine procurement, erection, and commissioning).

Funding for Commercial Wind Projects: Projects that will be structured as Commercial Wind projects, as defined in the Program Manual, are eligible for Development Grants to support only the development phase of a wind project. These grants may be used to reimburse costs associated with project development (such as application for permits, geotechnical studies, public outreach, interconnection studies, design of the foundation or electrical system, environmental impact evaluation, endangered species assessment, financial analysis, etc.). For appropriate development studies, a proposed scope and budget must be submitted as part of the application.

Development Grants are subject to cost shares by the project developer and maximum award limits. Section 4 provides additional detail on the structure of these grants. Please review the deliverable requirements for the specific terms, deadlines, and requirements of the Development Grant.

### 3. ELIGIBILITY REQUIREMENTS

#### 3.1 DEVELOPMENT PLAN AND CONTRACTOR TEAM

All Applicants must present a comprehensive Project development plan at the time of application to MassCEC. Applicants for Community Wind Projects must have procured a contractor team at the time of application to complete, at a minimum, the design for the project. Construction contractors may be selected at a later time.

Applicants for Commercial Wind Projects must identify the initial development studies/activities at the time of application. Additional development studies/activities may be added after a Development Grant is contracted but must be approved in writing by the MassCEC Project Manager.

#### 3.2 FEASIBILITY STUDIES, ACOUSTIC STUDIES, AND STAKEHOLDER ENGAGEMENT

To be eligible for an award under this Solicitation, Applicants must have completed a feasibility study that meets the requirements outlined in the [Feasibility Study Deliverable Requirements](#); however, the feasibility study does not have to be funded by MassCEC.

MassCEC also requires that wind projects seeking Development Grants have a completed pre-construction acoustic study if they are within a distance of five times the blade tip height of a planned or existing residence or other sensitive receptor (for example a school or hospital). If an acoustic study has not been completed, grants may be available through the Feasibility Study Activities solicitation.

MassCEC recognizes that stakeholder engagement is an important factor in project success. Development Grant Applicants are required to demonstrate significant and frequent public outreach prior to the date of application and plans to continue public outreach through project completion. Such outreach should include a thorough understanding of stakeholder groups, an assessment of concerns for each group, and a description of how the project team is discussing or has discussed these issues during project development. Methods of outreach include but are not limited to: newsletters, public meetings, workshops, canvassing, public notices, media notifications, developer meetings, etc.) To be eligible for Development Grants, continued public outreach is required.

#### 3.3 WIND SPEED

Applicants must demonstrate that the wind speed at the proposed project hub height is greater than or equal to the values outlined in Table 1, below. This calculation should be performed as outlined in the [Feasibility Study Deliverable Requirements](#).

**Table 1: Minimum Average Annual Wind Speeds for Eligibility**

| Hub Height [m]   | 30-39 | 40-49 | 50-59 | 60-69 | 70+ |
|------------------|-------|-------|-------|-------|-----|
| Wind Speed [m/s] | 5.2   | 5.4   | 5.6   | 5.8   | 6.0 |

#### 4. GRANT LEVELS, USES OF FUNDS, COST SHARE AND PAYMENT PROCESS

Maximum grant levels and required cost shares for Development Grants are provided in the following table. MassCEC may provide less than the maximum levels at its discretion. Funding amounts and other grant parameters vary by Project Type and applicant type. See Table 2.

**Table 2: Development Grant Maximum Grant Levels, Minimum Cost Shares, and Pre-Construction Grant Allocation**

| Project Type           | Public Entity  |                    |                                   | Non-Public Entity |                    |                                   |
|------------------------|----------------|--------------------|-----------------------------------|-------------------|--------------------|-----------------------------------|
|                        | Maximum Grant  | Minimum Cost Share | Pre-Construction Grant Allocation | Maximum Grant     | Minimum Cost Share | Pre-Construction Grant Allocation |
| <b>Community Wind</b>  | \$400,000*     | 5%                 | 50%                               | \$260,000*        | 25%                | 20%                               |
| <b>Commercial Wind</b> | Not Applicable | Not Applicable     | Not Applicable                    | \$250,000         | 40%                | 100%                              |

\* Varies by project size

All grants are paid out on a **reimbursement basis only**. Activities taking place before the effective date of grant agreement are not eligible for reimbursement. Contracting will occur **after** the award date. Grantees are required to coordinate the work period and payment schedule with their contractor team and are urged to consider MassCEC deliverable requirements and payment schedules ahead of making agreements with their consulting team. MassCEC also suggests that the final payment to the contracting team be withheld until MassCEC approves all deliverables.

Under some circumstances, grant funds may be used all or in part for direct labor; however, applications proposing use of grant funds for direct labor will be evaluated on a case-by-case basis consistent with the Application Review Criteria in the Program Manual. For purposes of satisfying the cost share requirement, the Grantee may provide evidence of: payments to subcontractors/consultants or allowable direct materials and/or costs. In addition, entities pursuing Community Wind projects may claim direct labor as cost share, provided such costs at no time exceed, in aggregate, five (5%) percent of total costs incurred to-date. Non-public entities pursuing commercial projects may request to include direct labor for up to one hundred (100%) percent of costs.

Details for the Development Grant based upon Project Type are provided in the following sections.

#### 4.1 COMMUNITY WIND PROJECTS

Development Grant levels for Community Wind projects are based on the entity type and project size. The maximum grant funding levels for projects 100 kiloWatt (kW) – 1,500 kW are determined on a sliding scale. Projects greater than 1,500 kW are eligible for a grant equal to that of a 1,500 kW project.

All Non-Public Entities must provide a minimum twenty five (25%) percent cost share while Public Entities must provide a minimum five (5%) percent cost share. Development Grants are distributed upon completion of design and construction milestones. For Public Entity Wind Projects, up to fifty (50%) percent of the grant can be allocated pre-construction. For Non-Public Entity Wind Projects, up to twenty (20%) percent of the grant can be allocated pre-construction.

The maximum grants for example project capacities are listed in Table 3.

**Table 3: Community Wind Maximum Development Grant Funding Levels per Project**

| Project Capacity (kW) | Non-Public Entities | Public Entities |
|-----------------------|---------------------|-----------------|
| 100                   | \$107,250           | \$165,000       |
| 600                   | \$208,325           | \$320,500       |
| 1,500+                | \$260,000           | \$400,000       |

Grant values for other project sizes can be calculated using the *Community Wind Development Grant Calculator* located in the Development Grant Application.

Development Grants are awarded according to the project specifications provided by Grantee in its application (e.g. turbine size, location, etc.). If the size of a project is decreased after an award has been made, MassCEC reserves the right to adjust the funding amount to provide a grant consistent with current funding levels for similarly-sized projects. MassCEC also reserves the right to require the forfeiture of an existing grant and possible reapplication to a future Commonwealth Wind Program for any Grantee if the Grantee will be changing the Project Site or if the Grantee will be moving the proposed turbine(s) to a location for which the wind resources have not been thoroughly modeled.

#### 4.2 COMMERCIAL WIND PROJECTS

Development Grants for Commercial Wind projects are available up to a maximum award of \$250,000 per project. Portions of the Development Grant that are designated for individual development studies are limited to \$100,000 per study.



All Grantees must provide a minimum forty (40%) percent cost share. Development Grants are fully allocated to studies and related activities prior to project construction and may not be applied to construction activities.

The Applicant must identify the initial development studies/activities at the time of application. Additional development studies/activities may be added after a Development Grant is contracted but must be approved by writing by the MassCEC Project Manager.

## 5. MILESTONES, DELIVERABLE AND PAYMENT SCHEDULE

The following deliverable timeframe and reimbursement schedules apply to all Development Grants. All payments will be disbursed upon MassCEC’s receipt and approval of deliverables and invoices. The expected timeframes listed are relative to each funded activity. These timeframes are provided as general guidance. However, actual deadlines may be project-specific and will be defined in the grant contract.

Details are provided in the following sections related to the Development Grant Solicitation for the two Project Types.

### 5.1 COMMUNITY WIND PROJECTS

The tables below describe the Development Grant milestone, deliverable, and payment schedule. All dates are in reference to the contract effective date. Projects will not be eligible for construction milestone payments until design has been completed and approved by MassCEC. If the Grantee is requesting construction funding only, the deadlines will be adjusted to reflect the contract effective date. Deliverables must meet all the requirements specified in the Grant Deliverable Requirements. Milestone payments will be made upon MassCEC’s receipt and approval of milestone deliverables and invoices. The following section describes additional Development Grant requirements based upon Project Type.

**Table 2: Development Basic Requirements**

| Milestone                                      | Deliverable                                      | Deadline | Cumulative Reimbursement |
|--|--|----------|--------------------------|
| Project Kickoff Meeting                        | NA   | 1 month  | NA                       |
| Public Stakeholder Meetings and Communications | Public Meeting and Communications Summary Report | 2 months | NA                       |

**Table 3: Design Requirements**

| Milestone   | Deliverable                                      | Deadline | Cumulative Reimbursement |
|---|--|----------|--------------------------|
| Submission of All Significant Permit Applications | Copies of All Significant Permit Applications    | 6 months | NA                       |
| Public Stakeholder Meetings and Communications    | Public Meeting and Communications Summary Report | Ongoing  | NA                       |



|                      |                     |          |  |
|----------------------|---------------------|----------|--|
| Completion of Design | Final Design Report | 9 months | <i>Public:</i> Up to 50% of the total grant amount<br><i>Non-Public:</i> Up to 20% of the total grant amount |
|----------------------|---------------------|----------|--|

**Table 4: Construction Requirements**

| Milestone                                      | Deliverable   | Deadline  | Cumulative Reimbursement   |
|--|---|---|--|
| RFP Issued (Public Entity Wind Projects Only)  | Copy of RFP   | 12 months   | NA   |
| Public Stakeholder Meetings and Communications | Public Meeting and Communications Summary Report(s) | Ongoing; during procurement/construction and post-operation | NA   |
| Contracts Executed                             | Contracts Execution Certification Form              | 18 months   | NA   |
| Equipment Purchased                            | Proof of Equipment Purchase                         | 20 months   | <i>Public: Up to 65% of the total grant amount<br/>Non-Public: Up to 35% of the total grant amount</i> |
| Construction Commences                         | Construction Commencement Certification Form        | 24 months   | NA   |
| Turbine(s) and Associated Equipment Installed  | Turbine Installation Certification Form             | 30 months   | <i>Public: Up to 85% of the total grant amount<br/>Non-Public: Up to 85% of the total grant amount</i> |
| Wind Project Interconnection                   | Project Completion Form Successful Reporting to PTS | 30 months   | Remainder of grant   |

## 5.2 COMMERCIAL WIND PROJECTS

The milestones, deliverables, and payment schedule for Development Grants for Commercial Wind Projects will be determined on a case-by-case basis based on the scope, budget, and timeline provided in the application; however, payments will be subject, at a minimum, to the applicable cost share and maximum grant amount. Furthermore, 20 percent of the grant amount for each development study will be withheld until completion of the study.

The maximum timeline for Development Grants is 36 months.

## 6. APPLICATION SUBMISSION, QUESTIONS, AND AWARD PROCESS

Applications are accepted on a rolling basis. MassCEC will strive to provide advance notice when it elects to stop accepting applications and incorporate any changes needed to improve the Commonwealth Wind Program. At that time, we will provide an estimated timeframe for issuing a new, revised solicitation. At any time, MassCEC may make updates to an open solicitation and applicants are encouraged to check MassCEC's website for the most recent solicitation documents. MassCEC expects applications will be accepted through this or updated versions of this Solicitation through May 15, 2014.

MassCEC recommends that applicants carefully follow instructions and prepare complete, clear, and concise applications. It is the sole responsibility of the applicant to ensure that its application is complete, meets minimum threshold requirements and is properly submitted to MassCEC. MassCEC reserves the right to only consider applications that in its sole judgment meet minimum threshold and submission requirements.

Please submit complete applications **electronically** to Rachel Ackerman, Commonwealth Wind Project Coordinator, at [rackerman@masscec.com](mailto:rackerman@masscec.com). Your total submission should be consolidated into no more than two electronic files, plus additional relevant studies such as acoustic or flicker studies. MassCEC may follow up and request specific application sections in hard copy, but please do not submit hard copies unless upon MassCEC's request.

MassCEC will review applications on a first-come, first-served basis to determine whether they are complete as well as whether they meet eligibility requirements and application review criteria. Complete, eligible applications will be placed in a queue in the order received and will be subject to the availability of MassCEC funding. Submission of a complete application does not ensure that funding will be offered. MassCEC aims to respond to all applications within four weeks of receipt of a complete application, at which time MassCEC may make an award, reject an application, or request additional information or a phone interview with the applicant.

Questions may be directed to Rachel Ackerman, Commonwealth Wind Project Coordinator, at [rackerman@masscec.com](mailto:rackerman@masscec.com) or 617-315-9326.