

Questions and Responses on the FY2015 Sustainable Biopower Solicitation

The following questions were submitted through bioworkgroup@njcleanenergy.com prior to the November 6, 2014 deadline for written questions:

- 1) I would like to learn if an energy developer (CHP) can submit an application independent of end-user/client for consideration?*

Each Application submitted must have an “end user/client” (referred to as the “Site Host” in the Solicitation) at whose facility the project will be located. The developer may be the one who actually submits the Application, but the name and signature of the Site Host contact is required on the Application Form and Milestone Reporting Form.

- 2) Is there a mechanism in place that enables (or facilitate) partnerships to form between technology solutions providers and end-users for possible application submission consideration?*

The mechanism in place for facilitating partnerships between “solution providers” and end-users is the Trade Ally Database on the NJCEP website (<http://www.njcleanenergy.com/findavendor>). Potential customers can search the Database for information on biopower developers, installers and equipment manufacturers.

The following questions were submitted during the November 13, 2014 webinar:

- 3) If an existing system is performing very poorly and will be replaced by new equipment, do we still have to fill in Section D of the Technical Worksheet in addition to filling in Section C?*

No. Section D should be completed only if the Applicant is proposing to install equipment that will improve the performance or efficiency of an existing system. If an existing system is being completely replaced, the Applicant should complete either Section B (for power generation only) or Section C (for combined heat and power).

- 4) Is the DEP sustainability determination for an A/D project using farm waste fuel required prior to application submission or can it be done after as part of the project development?*

If a Sustainability Determination is required – as it would be in the example above – the Applicant must be able to document that he or she has applied for the Sustainability Determination at the time the REIP application is submitted. The REIP incentive is contingent on the Applicant receiving the Sustainability Determination.

- 5) Can you provide an estimate of how long it might take for NJDEP to approve an application for a Sustainability Determination?*

Per the Sustainability Determination Information Sheet, NJDEP’s review of an administratively complete sustainability determination application will be completed within 60 days. However, projects that propose the use of certain biomass feedstocks, for which there are no verified performance data, may encounter delays in the NJDEP’s SOTA review process. In such cases, the review process may exceed 60 days.

6) *Will you coordinate with NJDEP Division of Air Quality to ensure that eligibility will comply with SOTA regulations including mandating unproven pollution control? Can NJDEP provide a stop to an approved project based on the mandating of unproven pollution control technology?*

NJDEP has advised Staff that as part the sustainability determination process, a SOTA analysis is completed by the Division of Air Quality and the decision to approve permit applications and issue operating permits is based on the use of **proven technologies** to achieve the necessary air quality standards. In addition, Section 5.2 of the Solicitation requires the use of “established”, “proven” and “commercially available” technologies in biopower systems.

7) *Will NJDEP-mandated air pollution control based on unproven technology (i.e. SCR for NOx removal for biogas combustion) affect the resilience evaluation in a negative effect?*

The resilience criteria in Section 5.2.4 of the Solicitation make no reference to air pollution control. Please refer to the response to Question #6 above with regard to the issue of unproven technology.

8) *Does the application include Pollution Control Devices that may be subject to SOTA standards?*

Yes. Section 2.1 of the Solicitation requires that “The applicant must be able to demonstrate that...the combustion of the manufactured biogas satisfies New Jersey’s regulatory emissions standards, including solid waste regulatory standards for ash management.”

9) *Do estimated costs include pollution control equipment and accessories (i.e. for an SCR you will need urea tanks)? Where should you disclose these?*

Yes. All costs associated with “key system components” – which would include any equipment required to make the system operational and/or compliant with local, state or federal laws, permit requirements or regulations – should be included in the project cost estimate. The cost of such equipment should be identified in the document showing the breakdown of the total estimated cost.

10) *Are there minimum requirements on a non-manufacturer system warranty provider?*

Yes. The warranty provider must be able to satisfy the terms of the warranty set forth in the Technical Worksheet: The warranty must cover all major components of the system against breakdown or degradation in electrical output of more than 10% from their originally rated electrical output during the five-year period. The warranty shall cover the full cost of repair or replacement of defective components or systems, including coverage for labor costs to remove and reinstall defective components or systems.

11) *Do you need disclosure for the NJEIFP loan application?*

Yes. Any financial incentives from state, local or federal programs or agencies that have been received or applied for must be disclosed in the application.

12) *Will the PowerPoint presentation be posted on the website?*

Yes. The webinar and PowerPoint are available at: <http://NJCleanEnergy.com/BIOWATERAPPS>