



FY2014 Renewable Energy Incentive Program (REIP) Sustainable Biopower Competitive Solicitation Appendix B - Biopower Application Checklist

The REIP offers financial incentives through a competitive solicitation process for applicants investing in biopower projects that convert acceptable biomass energy crops or waste into biogas or fuel that may be used by proven, commercially available prime movers such as gas engines and gas turbines to generate electricity. The manufacture of the fuel can be accomplished through established conversion technologies such as anaerobic digestion and gasification.

To qualify for a rebate, the applicant must be able to demonstrate that the acceptable biomass energy crop or waste is available on a sustainable basis and the combustion of the manufactured biogas satisfies New Jersey's regulatory emissions standards, including solid waste regulatory standards for ash management.

REIP offers incentives for projects that generate electricity with Class 1 biomass resources. Depending on the type of feedstock the project intends to use, a biomass sustainability determination from the New Jersey Department of Environmental Protection (NJDEP) <u>may or may not</u> be required. Pursuant to N.J.A.C. 14:8-2.5(b), a biomass sustainability determination is <u>not</u> required for any of the following:

- Electricity generated by the combustion of methane gas captured from a landfill (landfill gas facilities should document that the methane fuel has a minimum availability of five years);
- Electricity generated by a fuel cell powered by a biomass derived fuel;
- Electricity generated by the combustion of gas from the anaerobic digestion of food waste and sewage sludge at a biomass generating facility;

Other forms of biomass included as Class 1 eligible in N.J.A.C. 14:8-2.5(e)(f) and (g), <u>are</u> required to obtain a biomass sustainability determination from the NJDEP. This must be obtained <u>prior</u> to applying for any REIP incentives. For information on requesting a biomass sustainability determination, please refer to the Biomass Sustainability Determination Instruction Sheet. Forms of biomass listed in N.J.A.C. 14:8-2.5(l) are not eligible for REIP incentives.

All projects must be reviewed by the Market Manager and evaluated by the Solicitation Evaluation Committee on the basis of the criteria set forth in the Solicitation. If approved by the Committee, projects requesting a rebate of \$500,000 or greater also require BPU approval, which may delay receipt of the approval letter by a few additional weeks. NJCEP incentives are contingent upon the applicant meeting all other program requirements, including but not limited to compliance with the host Electric Distribution Company's interconnection requirements and compliance with all applicable local state and federal laws, permit requirements and regulations. If you have not already done so, it is important that you contact your municipality as soon as possible to learn more about any approvals required to install biopower equipment. Once approved, REIP applicants will have 18 months from the date of the approval letter to satisfy all program requirements and submit the <u>Final As-Built Packet</u> to request a state inspection.

Listed below is the documentation required when submitting an application packet.

- Completed <u>REIP Application</u> (Appendix A) with all appropriate signatures and SSN/EIN
- Completed <u>Biopower Technical Worksheet</u> (Appendix C). CHP applicants should attach a separate sheet showing how the calculations in the Section C chart were made and the source of the data used.

Copy of a recent electric bill with yearly usage in kilowatt hours or copies of monthly electric bills for the previous 12 months (last bill within past three months). **Proof of electric or gas account from a regulated utility is required to process the rebate application.**

- If the installation is part of a new construction or expansion project, or the property is under new ownership, and 12 months of recent electric bills are not available, applicant must provide all available electric bills <u>and</u> a copy of a signed and sealed load estimator from a Professional Engineer (PE).
- Manufacturer's warranty for main system components, as specified on the <u>Biopower Technical Worksheet.</u>
- Equipment Specification sheets showing the total system rated net continuous output and how much feedstock is required.





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- A feedstock plan detailing the type and source(s) of the project's feedstock; whether it is produced on- or off-site; contracts required for obtaining the feedstock (if applicable); the quantity of feedstock available on an annual basis; and an estimate of the annual production and Btu value of the biogas the feedstock will produce.
- A one-page <u>site map</u> must accompany application submittal. This document can be an **overhead view drawing or a single line electrical diagram** and must clearly indicate the location of the generator(s), batteries (if any), lockable disconnect switch (unless otherwise approved by the electric utility, the disconnect switch shall be installed at the electric utility meter location), and point of connection with the utility system. The installation address, current electric utility account number at that address, and the installer's name and telephone number must also be included on the site map.
- Biomass sustainability determination from the NJDEP, if required. Please refer to the Biomass Sustainability Determination Instruction Sheet for information on requesting this document.
- □ Copy of <u>10-year certification addendum</u> signed by both the applicant and the installer. This document states that the applicant agrees to repay a pro-rated share of the rebate received if the installed equipment is sold, moved, or transferred outside the State of New Jersey within 10 years of the rebate payment date.
- □ Copy of the <u>contract</u> signed by both the applicant and installer or the applicant and the Power Purchase Agreement (PPA) provider. The contract must also include the installer's warranty. Public Sector applicants subject to the Local Public Contracts Law may check the "Installer to be determined" box on the <u>REIP</u> <u>Application</u> and attach an Intent to Bid letter or resolution.
- A letter signed by the project developer and applicant that includes a breakdown of the total estimated cost of the project (see Section 5.3 for eligible costs) and all funding sources. The letter should list key system components and other costs that support the system cost information on the <u>Biopower Technical</u> <u>Worksheet</u>. The proposed incentive requested through this Solicitation and any additional incentives from other programs must be included. Other funding sources to finance the balance of the project (i.e., bonds, loans, capital funds, etc.) must be identified.
- An analysis to determine the cost per kWh of generation based on the system's estimated production. This analysis will be a simple calculation that divides the total installed cost after deducting all incentives other than the requested REIP incentive by the system's estimated production over its first 20 years of operation. The analysis must also include a calculation of the requested incentive on a per-MWh basis over the first 20 years of operation (with data entered in Section D of the <u>Biopower Technical Worksheet</u>).
- Schedule/Timeline for completing the project, including key milestones.
- List of permits needed to complete the project and status of receiving those permits.
- Feasibility evaluation results if a feasibility study was conducted. This is optional, but will help to support the project's technical and economic merit.
- A list of companies and key team members involved in the project and their company profiles.
- A description of similar projects successfully installed by the project team, including location, size, years in operation and annual system efficiency, utilization factor and energy production.

Please mail or deliver all material to (faxes or e-mail are not accepted):

Renewable Energy Incentive Program New Jersey's Clean Energy Program c/o Conservation Services Group 75 Lincoln Highway, Suite 100 Iselin, NJ 08830