

Renewable Energy Fund Grant Recommendation Program

Request For Applications / Round IV

September 3, 2010

1. Additional clarification of the project limits detailed at page 9, # 1.15 'Grant Funding Project Limits' of the Request For Applications:

Total costs of reconnaissance and feasibility analysis/conceptual design (Phases I and II) are limited to \$500,000 or 20% of anticipated construction (Phase IV) costs, up to the \$2 million or \$4 million overall cap depending on the location of the project. This limit is per project.

Total costs of final design/permitting and construction (Phases III and IV) are limited to \$2 million or \$4 million depending on the location of the project.

Funding for a project cannot exceed the \$2 million and \$4 million limits in one RE Fund round. However a project may receive funding up to the limits imposed above in more than one round.

As noted, these limits are cumulative for each project across each stage of the project; and include all prior rounds of funding from the Renewable Energy Fund, and are subject to adjustment based on the available funding, and the type, number, and quality of projects submitted.

Examples

1. A wood energy project in a high energy cost community is estimated to cost \$3 million to construct. The project has received funding of \$5,000 for reconnaissance in round 1 and \$30,000 for feasibility/conceptual design in round 2. The project can receive up to \$4 million for final design/permitting and construction in later rounds.
2. A hydroelectric project in a low energy cost community is estimated to cost \$30 million to construct. The project has received \$100,000 for feasibility/conceptual design in round 1 and \$800,000 for final design/permitting in round 2. The project can receive up to \$1.2 million (\$2 million minus \$800,000) for final design/permitting and construction in later rounds.