



Request for Proposal Conservation Improvement Program Funding For Community Wind Power Project

As part of its Conservation Improvement Program (CIP), Minnesota Power seeks to provide limited financial incentives for the installation of a wind turbine installed in 2008 within Minnesota Power's service territory. Minnesota Power is pleased to provide this support for small-scale wind energy projects and conservation improvement. The primary objectives of this funding project are to:

- Increase public awareness of the importance of efficient energy use and renewable energy technologies – specifically wind energy;
- Facilitate, through CIP funding grants, public demonstrations of grid-connected, small-scale wind power technology (≤ 40 kW); and
- Encourage the development of real-life working examples of renewable, wind energy technology that reinforce the principals of math and science and that can be integrated into classroom discussions and other public educational opportunities.

In connection with this solicitation of applications, Minnesota Power seeks to provide CIP funding of up to \$20,000 for a qualified, selected wind energy project.

To be eligible for consideration for CIP funding, each applicant must:

- Demonstrate commitment to energy conservation;
- Demonstrate the ability and the commitment to serve as a community-wide educational resource for wind energy technology and energy conservation;
- Be a Minnesota Power retail customer; and
- Demonstrate the committed resources, funding and ability to have the project completed and on-line by November 30, 2008.

Project Funding Application Requirements

Project funding applications should include the following sections and information:

- **Cover Page (with project and applicant's contact information)**
- **Table of Contents**
- **Executive Summary**

The Executive Summary should include goals and objectives of project, project time line including all project milestone dates, major project details, and a plan for capturing community educational and demonstration opportunities. All of this summary information should be described in greater detail in the Project Description, Community Benefits or Project Funding sections described below.

Project Description

The Project Description section should set forth all relevant information about the project, including detailed information that was summarized in the Executive Summary as well as the following information:

- A detailed description of proposed project, including but not limited to the project's equipment, specifications, warranties, life-expectancy;
- An estimate of the wind resource at the proposed site, including the results of any specific studies or measurements;
- Information on how the wind resource estimate was determined (Information on Minnesota wind resources is available from the Minnesota Department of Commerce. Other sources of information include local weather stations and airports.);
- Individuals or entities responsible for design, construction and ongoing service and maintenance of the project;
- A list of all project team members, their specific roles in the project and their contact information;
- A detailed schedule of the construction process, including final commissioning, and the individuals responsible for each step of the process;
- An estimate of electricity production annually, including methodology used and assumptions made to arrive at this estimate;
- Site location information including whether fee title to the site is owned by applicant (and if not, what commitment the applicant has from the owner of the site), the coordinates, latitude/longitude, and the preferred point of interconnection with the MP electric system; and
- A list of all local, state and federal permits, licenses, or regulatory approvals required for the proposed project.

Community Benefits of the Project

The Community Benefits section should include demonstration of the applicant's commitment to energy conservation, wind generation and community education as well as a description of the project's benefits to the community, including information about:

- How the project will be incorporated into ongoing educational opportunities, including classroom discussions that reinforce the principals of math and science;
- How the project will be integrated into the local community as an ongoing public educational resource about energy efficiency and renewable energy technologies;
- How the project will be used to promote the development and installation of grid-connected wind turbine generators.

Project Funding

The project funding and cost section of the application should include:

- Estimates of the:
 - Total installed project cost;
 - Ongoing operation and maintenance costs for the project and proof of applicant's ability and commitment to fund these costs;
 - Cash contributions to the project, including the source and status of the funding commitment;
 - In-kind contributions to the project, including source and hourly rate of the contribution commitment. In-kind contributions may account for up to 100% of the applicant's participation in the project. However the

- commitment from the applicant of cash contributions will be viewed favorably in the process of determining which projects to fund.; and
- Commitment by the applicant to project funding equaling not less than a 100% match of proposed CIP funding.

Evaluation Criteria

All funding applications will be evaluated based on a 100-point scale using the following allocation of points:

- Project Description (40 points);
- Community Components of the Project (35 points); and
- Project Cost (25 points).

General Requirements:

Any CIP funding granted by Minnesota Power under this solicitation is subject to the ongoing review of the Minnesota Department of Commerce. In addition to the requirements and obligations set forth in this solicitation, project applicants selected by Minnesota Power for CIP funding under this solicitation must commit to providing ongoing information required for Minnesota Power's reports to the Minnesota Department of Commerce regarding the status and performance of the project.

Selected projects must be completed and successfully grid-connected before Minnesota Power will disburse any funding ultimately granted under this solicitation.

Deadline

Proposals are due to Minnesota Power by 4:30 pm on May 15, 2008. Questions about this solicitation of applications should be directed to Dean Talbott at dtalbott@mnpower.com or

Applications submitted hereunder will not be returned to the applicants. Minnesota Power reserves the right to modify or withdraw this solicitation, or waive any requirements hereunder, at any time. Further, Minnesota Power reserves the right to reject any and all funding applications. Minnesota Power also reserves the right to negotiate with applicants and suggest changes to project applications that are consistent with Minnesota Power's CIP objectives, as well as the right to terminate negotiations at any time.

Each applicant is solely responsible for its proposed project, including without limitation, all remaining funding, design, construction, insurance, maintenance, grid-connection costs, and community educational programs. Minnesota Power's analysis of CIP funding applications or any funding grant under this solicitation does not constitute Minnesota Power's certification, endorsement or inspection of any project.

**Minnesota Power
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