



CLEAN ENERGY
FINANCE AND INVESTMENT AUTHORITY

Unlocking the Value: Transforming the Connecticut Materials Economy

Building State-Wide Capacity for Food Scrap Recycling

Northeast Waste Management Officials' Association

**PA 11-80 Section 103 Anaerobic Digestion Financial
Support Pilot Program**

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CEFIA's Vision and Mission



Vision

To help ensure Connecticut's energy security and community prosperity by realizing its environmental and economic opportunities through clean energy finance and investments.

Mission

To support the Governor's energy strategy to achieve cleaner, cheaper and more reliable sources of energy through clean energy finance.

- ▶ **CEFIA shall establish a three-year pilot program to support through loans, grants or power purchase agreements for Connecticut farms and other businesses using organic waste with on-site anaerobic digestion facilities to generate electricity and heat.**
- ▶ **CEFIA may approve no more than five projects, each of which shall have a maximum size of 1,500 kW at a cost of \$450 per kilowatt.**
- ▶ **CEFIA shall allocated \$2 million annually to support the pilot program**

RFP Funding Options Available



- ▶ **Grant Option** – Up to \$450/kW based on the generators nameplate rating.
 - ▶ **Loan Option** – Loan terms up to 15-years (180 months)
 - ▶ **Power Purchase Agreement (PPA) Option** – Purchase of Renewable Energy Credits (RECs at a flat rate per kWh for 6-years (72-months))
- * **Projects can only receive the maximum amounts of financial support equivalent to \$450/kW for Projects using options other than grants or in combination with other options.**

RFP Evaluation Criteria

Applications meeting the minimum RFP requirements will be evaluated for financial support based on the following evaluation criteria:

- ▶ **Project Economics**
- ▶ **Deployment of the Eligible Resource/Technology**
- ▶ **Probability of Project Completion and Project Feasibility**
- ▶ **Public and Unique Ratepayer Benefits**

Project Economics Criteria - Funding Options Order of Preference



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- ▶ **Unsubsidized loan**
- ▶ **Loan loss reserve**
- ▶ **Subsidized loan (Interest Rate Buy-down)**
- ▶ **Power Purchase Agreement (REC Purchase)**
- ▶ **Direct subsidy (Grant)**

Tentative RFP Schedule



Activity	Activity Date
Issue RFP document	April 2, 2012
Questions or clarifications accepted	April 2, 2012 to May 31, 2012
RFP Closing date	June 1, 2012 5:00 p.m. EST
Eligibility rejection/acceptance letters Issued	Two (2) weeks from receipt of complete application
CEFIA staff recommendations to Projects Committee	Next available scheduled meeting after project owner accepts preliminary grant offer in writing from CEFIA
Funding authorization letters issued	Within two (2) weeks of Board Approval

Project In-Service Conditions

- ▶ **Financial support will be provided by CEFIA in the form commensurate with the option or options selected under standardized terms, contingent upon the execution of an FAA with CEFIA and reaching the in-service date within 18 months of FAA execution**
- ▶ **Projects not under construction with all major generating equipment and balance of plant onsite by the date specified in the FAA will be in danger of defaulting on the FAA and having the Project's financial support terminated.**



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