



**Kearsarge Energy L.P.'s Response to The Town of
Bernardston's Request for Proposals for The Right to
Lease Town Land to Develop a Solar PV Facility at
the Closed Municipal Landfill in the Eversource MA
West Area**

August 17, 2021

PRICE PROPOSAL

**Town of Bernardston Request for Proposals
Right to Lease Town Land to Develop a Solar Landfill Project**

Appendix C Proposal Cover Sheets

This form must be completed and used as the cover sheet for each of the Technical Proposal and the Price Proposal, as applicable.

**“Response to the Town of Bernardston
RFP Solar Landfill Projects**

TECHNICAL PROPOSAL”

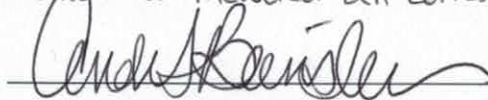
Or

**“Response to the Town of
Bernardston RFP Solar Landfill**

PRICE PROPOSAL”

The Respondent has received and reviewed RFP addenda number(s) 1, 2, 3, 4, 5
(Addenda didn't appear to be numbered - included all correspondences regarding the
RFP above.)

Signature of Respondent contact: _____



Respondent contact (print or type): _____

Andrew Bernstein

Name of Respondent: _____

Kearsarge Energy Limited Partnership

Address: _____

1380 Soldiers Field Road,
Suite 3900, Boston, MA 02135

Telephone: _____

(617) 393-4222

Email: _____

abernstein@kearsargeenergy.com

Date: _____

8/13/21

Transmittal Letter

Kearsarge is pleased to provide the Town of Bernardston (the "Town") with the enclosed Proposal for a site lease execution payment, lease revenues and electricity bill savings from a 2.72 MW DC Solar plus DC Coupled Storage array on the Town-Owned Landfill in Bernardston, MA. Kearsarge has a successful and demonstrated track record developing on Landfills, Brownfields and Superfund sites having completed 50 MW of projects on environmentally sensitive sites and is a leader in DG PV Solar coupled with Energy Storage.

The Project Team offers the Town a complete solution from design, permitting, construction, interconnection, financing and operation of this Solar Array. We are ready to begin work immediately on the initial site analysis and continue the interconnection process with Eversource.

Sincerely,



Andrew Bernstein, on behalf of the Project Team
 Managing Partner
 Kearsarge Energy Limited Partnership

Statement of Compensation

Our proposal includes an initial non-refundable payment upon Site Lease Execution of \$50,000 and a lease rate offer of \$20,000 per MW DC with a 2% annual escalator beginning on the Commercial Operation Date of the facility. Upon the construction start date, Kearsarge is pleased to offer a lease rate of \$10,000 per MW DC start until Commercial Operations is achieved, paid on a quarterly basis.

Assuming a 3 month period between the construction start date and the Commercial Operations date the Town of Bernardston could expect \$6,800 in Pre-COD Lease Revenues. In year 1 of Commercial Operations, the Town of Bernardston could expect total lease revenues to be \$54,480 and \$1,450,214 over the 20 year term of the project. Kearsarge has offered an aggressive lease rate to provide the Town with significant revenues in lieu of a PILOT Agreement. At the town's request, we can add in a PILOT agreement and pro rate the lease. We have enclosed our sample PILOT agreement for review. In addition, Kearsarge has determined the Town has an appetite for the purchase of roughly 189,630 Alternative On-Bill Credits ("AOBC Credits") in year 1 of project operations based on the bills provided in connection with the RFP. Kearsarge is pleased to offer the Town a \$.01 discount off of the AOBC credits purchased by the Town. Town electricity bill savings from the purchase of AOBC credits is expected to exceed \$36,170 over the 20 year term of the project. In summary, the Town can expect initial payments, lease revenues plus electricity bill savings to total \$1,543,190 over the 20 year term of the project (including Pre-COD revenues). We would be willing to include language in the Lease Agreement and



AOBC PPA that would allow for four periods of 5-year extensions at the mutual agreement of the Town and Kearsarge.

Please see below for the pricing assumptions included in our offer. Kearsarge will adjust our offer by +/- \$1,800 per MW DC if a higher or lower SMART base block is assigned to the project. Also, If Eversource determines that Interconnection upgrade costs are greater than \$350,000 we will need to pro rate the lease over the 20 year term to reflect this.

Assumptions

Kearsarge's pricing considers the following assumptions:

- Incentives
 - Federal Investment Tax Credit at 26%.
 - MA SMART Program (Base Block 9, Public Entity Adder Block 3, Landfill Adder Block 1, Storage Adder Block 11)
- Permitting
 - Kearsarge to obtain all local, State, and Federal Permits required to construct the array (including Post-Closure Use Permit)
- Interconnection costs:
 - \$200,000 assumed cost to interconnect the facility to the electric distribution grid
- AOBC Value
 - \$.10864/kWh
- Annual Degradation Rate
 - The annual degradation rate of the facility is assumed to be 0.5% annually



Appendix A: Lease Revenue plus Electricity Bill Savings Calculations

Lease Revenues

Lease Revenues			
Year	Lease Rate (Per MW DC)	System Size	Total Lease Revenues
1	\$20,000	2.72	\$54,480
2	\$20,400	2.72	\$55,570
3	\$21,012	2.72	\$57,237
4	\$21,642	2.72	\$58,954
5	\$22,292	2.72	\$60,722
6	\$22,960	2.72	\$62,544
7	\$23,649	2.72	\$64,420
8	\$24,359	2.72	\$66,353
9	\$25,089	2.72	\$68,344
10	\$25,842	2.72	\$70,394
11	\$26,617	2.72	\$72,506
12	\$27,416	2.72	\$74,681
13	\$28,238	2.72	\$76,921
14	\$29,086	2.72	\$79,229
15	\$29,958	2.72	\$81,606
16	\$30,857	2.72	\$84,054
17	\$31,783	2.72	\$86,576
18	\$32,736	2.72	\$89,173
19	\$33,718	2.72	\$91,848
20	\$34,730	2.72	\$94,604
Total			\$1,450,214.33

AOBC PPA Savings

Year	Volume of AOBC Credits	Discount per AOBC Credit	Total Electricity Bill Savings
1	189,630	\$0.01	\$1,896.30
2	188,682	\$0.01	\$1,886.82
3	187,738	\$0.01	\$1,877.38
4	186,800	\$0.01	\$1,868.00
5	185,866	\$0.01	\$1,858.66
6	184,936	\$0.01	\$1,849.36
7	184,012	\$0.01	\$1,840.12
8	183,092	\$0.01	\$1,830.92
9	182,176	\$0.01	\$1,821.76
10	181,265	\$0.01	\$1,812.65
11	180,359	\$0.01	\$1,803.59
12	179,457	\$0.01	\$1,794.57
13	178,560	\$0.01	\$1,785.60
14	177,667	\$0.01	\$1,776.67
15	176,779	\$0.01	\$1,767.79
16	175,895	\$0.01	\$1,758.95
17	175,015	\$0.01	\$1,750.15
18	174,140	\$0.01	\$1,741.40
19	173,270	\$0.01	\$1,732.70
20	172,403	\$0.01	\$1,724.03
Total			\$36,177.43