

Biogas Project Update for PUB
3-Nov-17

Item	Cost		Schedule		Status	Remarks
	Estimated	Fixed	Estimated Start	Estimated Completion		
RNG Facility Construcion		\$9,679,676	Dec-2017	Mar-2019	Opened bids; contract award to low bidder (McClure and Sons).	Construction of biogas treatment facility.
NWN Interconnection Facility	\$1,300,000		Mar-2018	Mar-2019	BES staff are reviewing draft NWN interconnection agreement.	This is gas monitoring facility for injecting RNG into NWN system and receipt point facility for RNG offtaker. NWN will design, construct, operate, maintain and own the interconnection facility.
CNG Fueling Station	\$1,900,000 (1)		Nov-2017	Dec-2017	Delivering equipment to site; securing bldg permit; about to start site work and installation.	Need to complete by Dec 31, 2017 for the tax credit.
Natural Gas Service Upgrade		\$278,862 (2)	Nov-2017	Dec-2017	Awaiting for RR crossing permit; meter and piping assemblies are being fabricated for final installation on site.	Needed to increase NG service capacity to the plant for the added CNG fueling station and future increase in NG consumption. The same upgraded RR crossing will also be used to deliver RNG to NWN gas pipeline.
RNG Offtake Agreement	N/A	N/A	May-2017	Mar-2018	Selected CERF (Clean Energy Renewable Fuels) through an RFP process. Ongoing contract negotiation with CERF and NWN for gas transmission and sales.	No cost involved for BES on this agreement, as this is a revenue contract.
Metro Food Waste RFP	N/A	N/A	May-2017	Dec-2017	WM/BES team and BioSort/Republic team have been selected as finalists for interviews in November.	This is to compete for the source separated commercial food waste from Metro, and pre-processed into bioslurry by our partner. This is the most preferred organic waste for our facility.
Organic Waste Facility	\$5,000,000 (3)		Nov-2017	Dec-2019	Will soon hire an on-call design consultant to begin predesign. The predesign will consider two scenarios – one with Waste Management’s CORe engineered slurry as the primary organic food waste source along with some FOG from grease traps. The second scenario has the City primarily collecting FOG from grease traps and other food related waste. Prior to the end of the predesign (or sooner), the City should know if it will be collaborating with Waste Management. The specific scenario should not affect schedule significantly.	The result of the Metro RFP process will determine whether the Organic Waste Facility will primarily be designed for food waste and FOG (Option A Project), or FOG and other organic wastes (Option B Project).

(1) Cost shown is estimated cumulative cost at the end of 10 year contract term with NWN. BES partipated in the Schedule H program with NWN, where NWN will design, build, maintain and pay for the cost of the project. BES will reimburse NWN the costs over the 10 year term of the agreement. The tax credit, \$250K - \$300K, has not been accounted for in the cost figure shown. This is an operating cost; annual payments will be paid by the tax credit proceeds, fuel savings and RNG sales.

(2) Cost shown will be recouped by NWN via NG consumption (Schedule X) at the plant in the next 5 years (per a Margin Agreement). BES anticipates NG consumption will exceed the margin requirement during the 5-year term; hence, there will not be any out of pocket cost by BES as a result.

(3) Estimated total project cost.