



**Financial Assistance
Award**

DENALI COMMISSION
 510 L Street, Suite 410
 Anchorage, Alaska 99501
 (907) 271-1414 (phone)
 (907) 271-1415 (fax)
 www.denali.gov

Award Number 01234-00

Award Title Nome Wind Farm to Diesel Plant Integration

Performance Period July 1, 2009 through September 30, 2010

Recipient Organization & Address

Nome Joint Utility System
 PO BOX 70
 Nome, AK 99762-0070

Authority
 112 Stat 1854

CFDA Number
 90.100

Denali Commission Finance Officer Certification

Jennifer Price
 02/25/2010

Phone: 907 443-6587
Recipient DUNS # 151469301 **TIN #** 92-0019767

Cost Share Distribution Table

Accounting Code	New Funding		Prior Period Funding		Total
	Denali Commission	Other Contributors	Denali Commission	Other Contributors	
95670000AL	\$265,000.00		\$0.00		\$265,000.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
Local Match		\$26,500.00		\$0.00	\$26,500.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
Total	\$265,000.00	\$26,500.00	\$0.00	\$0.00	\$291,500.00

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding.

Award Conditions to the Financial Assistance Award Between the Denali Commission and Nome Joint Utility System For Wind Farm Integration Project, Award No. 01234

Continued on the following pages.

Signature of Authorized Official - Denali Commission
 Electronically Signed

Typed Name and Title
 Joel Neimeyer
 Federal Co-Chair

Date
 02/18/2010

AWARD ATTACHMENTS

Nome Joint Utility System

01234-00

1. Award Conditions - Nome Wind Farm to Diesel Plant Integration

***Award Conditions to the Financial Assistance Award
Between the Denali Commission and Nome Joint Utility System
For Wind Farm Integration Project
Award No. 01234
January 2010***

1. Scope of Work

This award provides funding in the amount of \$265,000 to match local funds in the amount of \$26,500 for integrations of the Banner Wind Farm to the local utility system making the total project cost \$291,500. The goal of this project is to build on the existing investments of both the Nome Joint Utility System (NJUS) and the Banner Wind Project to assure compatibility of operations with the NJUS' new diesel plant and to receive maximum benefit from the local wind resource without impacting efficiency of existing diesel operations.

Further, it is recognized that the Banner Wind Project has experienced challenges that can be looked upon by other for-profit interests seeking tax benefits through private investment of renewable energy infrastructure in Alaska. As well, lessons learned from a utility standpoint are apparent and worth sharing. For these reasons, the Denali Commission provides this funding to both support the success of this groundbreaking project and to collect information to share across in Alaska with the hopes of future private investments can occur in a smoother manner.

Following are the funded activities through this grant:

- Install control hardware/sensors, advanced controls logic, adapt software programs for real-time data capture, automated reporting, etc.
- Distribution Line including re-closer and metering addition to allow segregation of Rock Creek portion in the event of a fault (installation provided in-kind by NJUS)
- NJUS SCADA/Controls including engineering SCADA system changes and network design, development, and communications and surveillance links to integrate monitoring of the wind farm into NJUS system
- Participation upon request to assist in statewide information sharing initiative on private investment tax credits using the model in Nome

All Commission funding is intended for use for the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission.

2. Milestones

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

Milestone	Planned		Actual		Units	Total Cost At Completion
	Start Date	End Date	Start Date	End Date		
In-Progress	07/01/2009	09/30/2010			0	\$0.00
Project Close-out	10/01/2010	12/30/2010			0	\$0.00

3. Award Performance Period

The Award performance period is July 1, 2009 through September 30, 2010. This is the period during which Award recipients can incur obligations or costs against this Award.

4. Direct and Indirect Costs

The cost principles of OMB A-87 are applicable to this Award. No indirect costs are allowable under this award. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

5. Budget and Program Revisions

The Administrative Circular, OMB A-102, applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that Nome Joint Utility System will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

6. Payments

Payments under this Award will be made by electronic transfer in response to a "Request for Advance or Reimbursement", Standard Form 270 (SF-270) submitted by the Nome Joint Utility System. Requests for reimbursements may be made as needed. The SF-270 must be submitted to the Denali Commission via fax, e-mail (finance@denali.gov) or mail in order for payment to be processed. The form is available on the OMB website: http://www.whitehouse.gov/OMB/grants/grants_forms.html. Payments shall be made in accordance with OMB Circular A-102. Please contact the Denali Commission's Finance Specialist at (907) 271-1414 for further information about submitting this form. **No interest will be accrued on these funds.**

7. Reporting

Two forms of project reporting are required under this Award, listed below. Nome Joint Utility System shall submit reports using the Denali Commission's on-line Project Database System, available at www.denali.gov. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

- a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is July 1, 2009 to March 31, 2010 and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
 - i. Total project funding, including both Denali Commission funding and other project funding sources.
 - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
 - iii. Updated schedule and milestone information as identified in the Scope of Work.
 - iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
 - v. Photographic documentation of project progress shall be provided with the progress reports for active construction projects. The photo documentation shall include a minimum of three, dated photos per reporting period such that a complete record of the construction is maintained over time, from “before,” showing the situation before the start of construction, to “during” showing work proceeding on the project, and “after” to show the finished project. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.

- b. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] “Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part [subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs.”

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site:

<http://harvester.census.gov/sac/>

8. *Project/Award Close-Out*

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission’s on-line Project Database System, available at www.denali.gov. The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) "Progress Reports".
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all construction projects, the Award recipient shall display a sign that acknowledges the Government's support for the project(s) developed under this Award. The Commission will provide an appropriate sign. The Award recipient must request an indoor and/or an outdoor sign from the Commission office. Pickup or delivery of the sign can be arranged at that time.

9. Public Policy Laws and Assurances

Award Recipients are required to comply with the public policy laws and assurances on SF 424d. This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

10. Non-Compliance with Award Conditions

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

11. Program Manager, Financial Manager & Other Contact Information

Denali Commission	Nome Joint Utility System
Denali Daniels Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-1189	John Handeland Project Manager P.O. Box 70 Nome, AK 99762 Phone: 907-443-6587

Fax: 907-271-1415 E-mail: ddaniels@denali.gov	Fax: 907-443-6336 Email: manager@njus.org
Betty Sorensen Grants Administrator 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3415 Fax: 907-271-1415 E-mail: bsorensen@denali.gov	Cheri Kruschek Financial Contact P.O. Box 70 Nome, AK 99762 Phone: 907-443-6303 Fax: 907-443-6331 Email: cherik@njus.org

12. Other Project Specific Paragraphs

In addition to reporting quarterly, NJUS shall meet twice annually with the Commission to report lessons learned and project status.