

EXHIBIT 5



Rhode Island Distributed Generation Contracts Board

CALL FOR CEILING PRICE DATA

DUE DATE FOR SUBMISSION: WEDNESDAY, OCTOBER 2, 2013

Submit electronically to: Christopher.Kearns@energy.ri.gov
jqifford@seadvantage.com
dvonallmen@seadvantage.com

Dear Colleagues and Distributed Generation Contract Program Stakeholders:

The Distributed Generation Contracts Board (DG Board) and Office of Energy Resources (OER) have commenced work on reviewing the ceiling prices for the 2014 DG Contracts program and intends for stakeholders to once again play an integral role in this process. As in years past, opportunities will exist for both written comments and participation in public meetings. **The purpose of this memo is to request your specific input on the modeling assumptions which will support the ceiling price analysis.** This is the first in a multi-step process. The DG Board and OER, with technical consultant Sustainable Energy Advantage (SEA) will:

- (1) Collect detailed input data from stakeholders and other sources (**through this survey**),
- (2) Develop proposed ceiling prices and request stakeholder comments, including a Public Meeting,
- (3) Revise proposed ceiling prices and conduct a second Public Meeting, and
- (4) Submit recommended ceiling prices to the PUC.

This process needs to be completed on an aggressive timeline. The DG Board and OER will complete this research phase over the next week, conduct two public meetings (mid-October and early November), finalize recommended ceiling prices, and submit its proposal to the PUC by early December. **Your active participation** in developing the ceiling price modeling inputs is critical to achieving a robust process and result, and submitting ceiling price recommendations on schedule.

As we did for the 2013 Program, we will be using the National Renewable Energy Laboratory's Cost of Renewable Energy Spreadsheet Tool¹ (CREST) in order to model our recommendations for submission to the Public Utilities Commission. To provide expert support for this effort the DG Board has retained Sustainable Energy Advantage (along with their subcontractor Meister Consulting Group), the same firms that assisted in setting 2011, 2012 and 2013 ceiling prices.

¹ The CREST models and their supporting documentation can be downloaded from the NREL website: <http://financere.nrel.gov/finance/content/CREST-model>.



Technology- and Capacity-Based Ceiling Prices

For the 2014 DG Contract Program solicitations, we propose to refine the categories set forth in the 2013 Program. Compared to the 2013 DG Contract Program, which featured 4 categories of solar projects, 3 groups of wind, 1 anaerobic digestion category, and a proposed benchmark for small hydroelectric facilities, the 2014 Program will have 3 groups for solar, 2 for wind, 1 for anaerobic digestion, and will formalize the hydroelectric incentive. While ceiling prices will be available to the full range of project sizes allowed under the Act, one *standard installation* will be modeled for each size range for the purpose of informing the ceiling prices for that technology and sub-class. The proposed 2014 ceiling price categories are presented in the following table:

Technology, sub class	Eligible Size Range	Standard Size for Modeling Ceiling Price
Solar, Large	500 kW – 3 MW	1.5 MW
Solar, Medium	201 – 499 kW	400 kW
Solar, Small	50 – 200 kW	150 kW
Wind, Large	1.0 MW – 3 MW	1.5 MW
Wind, Small	50 kW – 999 kW	750 MW
Anaerobic Digestion	50 – 3 MW	500 kW
Hydroelectric	50 kW – 1.0 MW	500 kW

We invite you to offer recommendations for inputs that we should employ in each model, using the format in the attached data request. **When making recommendations, keep in mind that we are seeking ceiling prices that achieve the law’s goals – namely to “support and encourage development of distributed renewable energy generation systems” in a manner that is “cost effective”, and provides an adequate rate of return to private investors.**

A list of the inputs sought is included in the tables below. Please read each description carefully and be as detailed and thorough as possible in your response. There is one table for each technology and standard size class. Please identify the source of your data, and include comments or clarifications in the notes field.

To ensure that we meet our deadlines, we ask that you **submit your recommended inputs no later than next Wednesday October 2, 2012**. Please contact Jason Gifford at (802) 846-7627 or jgifford@seadvantage.com with any questions or clarifications that would help you fulfill this data request more easily and completely. We appreciate your active participation and look forward to fulfilling the requirements of this aggressive schedule in a cooperative manner.



Data Request:

CREST is a levelized cost of energy (LCOE) model. It converts input for capital costs, fixed and variable maintenance, system performance characteristics, capital structure, and Federal and State incentives into the revenue stream required to provide a specified return to investors over a defined period of time. For the purpose of establishing ceiling prices, we propose to assume that the subject projects are owned by private sector investors. Ceiling prices will be based on a project interconnected to the utility side of the retail meter. The sensitivity to the availability of federal incentives will be tested, as follows:

Technology	Federal Incentive Cases
Solar	<ol style="list-style-type: none">1. assume ITC available to all projects;2. assume ITC & 50% bonus depreciation available
Wind	<ol style="list-style-type: none">1. assume ITC available (chosen in lieu of the PTC)2. assume ITC & 50% bonus depreciation available3. assume both incentives expire
Anaerobic Digestion	<ol style="list-style-type: none">1. assume ITC available (chosen in lieu of the PTC)2. assume ITC & 50% bonus depreciation available3. assume both incentives expire
Hydro	<ol style="list-style-type: none">1. assume ITC available (chosen in lieu of the PTC)2. assume ITC & 50% bonus depreciation available3. assume both incentives expire

The following tables represent the key inputs for which we seek your specific input. Please fill out the tables below as completely, and in as much detail, as your expertise allows. Short definitions of each of the inputs follow the tables. We ask that you read these definitions carefully before completing the tables, as it is important that we are able to consider recommended inputs on an apples-to-apples basis. (For example, parties may aggregate operations and maintenance (O&M) costs differently. Please conform your cost information to our line items in order for the information you provide to be of greatest utility in calculating ceiling prices. Please provide sources for all recommended inputs.

Remember that these input data and the resulting ceiling prices are intended to apply to projects coming on-line within a specified period of time – namely, within 18 months of being selected via one of the 2014 DG Standard Contract solicitations.

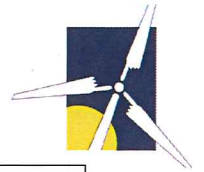
We expect that as a result of this process, certain inputs will change from the 2013 Program analysis based on changes in market conditions. There may be other inputs, however, which do not warrant adjustment, and whose magnitude and rationale was the product of detailed stakeholder discussion in the previous analysis. For these inputs – which are clearly noted below – we propose that the values remain the same unless compelling evidence for change is presented and supported.



Technology Category: Solar 500 kW – 3 MW			
Standard Project Size for calculating ceiling price: 1500 kW DC			
Input category	Recommended Input	Notes on Assumptions	Source
Expected Annual Average Net capacity factor, (%)	NCF is proposed at: 14.65% DC . ²		
Annual Production Degradation (%)	Proposed at: 0.5%		
Total installed cost (\$/kW _{DC}), excluding Interconnection Cost			
Typical Interconnection cost (\$)			
O&M expenses (\$/kW _{DC} -yr), Yr 1 (excluding those listed below)			
Insurance, Yr 1, (provide as % of total project cost, or in \$/yr)			
Project Management, Yr 1 (\$/yr)			
Land Lease, Yr 1 (\$/yr)			
Annual average escalation rate for O&M expenses (%)			
Royalties (% of revenue, or \$/yr)			
Property Taxes (\$ in Yr 1 and annual adjustment factor, or as annual estimates with <u>methodology clearly described</u> ³)			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			
Decommissioning Reserve? If yes, how much?			
Other Comments:			

² Stakeholders wishing to comment on the continued use of this assumption may do so in the Other Comments box. All suggestions provided in this field should be specific and must include associated justification.

³ The methodology, assumptions and calculation of annual property tax estimates can be provided separately.



Technology Category: Solar 201 – 499 kW			
Standard Project Size for calculating ceiling price: 400 kW DC			
Input category	Recommended Input	Notes on Assumptions	Source
Expected Annual Average Net capacity factor, (%)	NCF is proposed at: 14.56% DC. ⁴		
Annual Production Degradation (%)	Proposed at: 0.5%		
Total installed cost (\$/kW _{DC}), excluding Interconnection Cost			
Typical Interconnection cost (\$)			
O&M expenses (\$/kW _{DC} -yr), Yr 1 (excluding those listed below)			
Insurance, Yr 1, (provide as % of total project cost, or in \$/yr)			
Project Management, Yr 1 (\$/yr)			
Land Lease, Yr 1 (\$/yr)			
Annual average escalation rate for O&M expenses (%)			
Royalties (% of revenue, or \$/yr)			
Property Taxes (\$ in Yr 1 and annual adjustment factor, or as annual estimates with methodology clearly described ⁵)			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			
Decommissioning Reserve? If yes, how much?			
Other Comments:			

⁴ Stakeholders wishing to comment on the continued use of this assumption may do in the Other Comments box at the bottom of the table. All suggestions provided in this field should be specific and must include associated justification.

⁵ The methodology, assumptions and calculation of annual property tax estimates can be provided separately.



Technology Category: Solar 50 – 200 kW Standard Project Size for calculating ceiling price: 150 kW DC			
Input category	Recommended Input	Notes on Assumptions	Source
Expected Annual Average Net capacity factor, (%)	NCF is proposed at: 14.39% DC.		
Annual Production Degradation (%)	Proposed at: 0.5%		
Total installed cost (\$/kW _{DC}), excluding Interconnection Cost			
Typical Interconnection cost (\$)			
O&M expenses (\$/kW _{DC} -yr), Yr 1 (excluding those listed below)			
Insurance, Yr 1, (provide as % of total project cost, or in \$/yr)			
Project Management, Yr 1 (\$/yr)			
Land Lease, Yr 1 (\$/yr)			
Annual average escalation rate for O&M expenses (%)			
Royalties (% of revenue, or \$/yr)			
Property Taxes (\$ in Yr 1 and annual adjustment factor, or as annual estimates with methodology clearly described ⁶)			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			
Decommissioning Reserve? If yes, how much?			
Other Comments:			

⁶ The methodology, assumptions and calculation of annual property tax estimates can be provided separately.



Technology Category: Wind 1 MW – 3 MW Standard Project Size for calculating ceiling price: 1.5 MW			
Input category	Recommended Input	Notes on Assumptions	Source
Expected Annual Average Net capacity factor, (%)	NCF is proposed at: 27.5% .		
Annual Production Degradation (%)	Proposed at: 0.5%		
Total installed cost (\$/kW), excl. Interconnection Cost			
Typical Interconnection cost (\$)			
O&M expenses (\$/kW-yr), Yr 1 (excluding those listed below)			
Insurance, Yr 1, (provide as % of total project cost, or in \$/yr)			
Project Management, Yr 1 (\$/yr)			
Land Lease, Yr 1 (\$/yr)			
Annual average escalation rate for O&M expenses (%)			
Royalties (% of revenue, or \$/yr)			
Property Taxes (\$ in Yr 1 and annual adjustment factor, or as annual estimates with methodology clearly described ⁷)			
<i>See request on next page for wind financing assumptions with and without PTC/ITC.</i>			
Decommissioning Reserve? If yes, how much?			
Other Comments:			

⁷ The methodology, assumptions and calculation of annual property tax estimates can be provided separately.



Technology Category: Wind 1 MW – 3 MW			
Standard Project Size for calculating ceiling price: 1.5 MW			
Financing Assumptions <u>With</u> PTC			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			
Financing Assumptions <u>Without</u> PTC			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			



Technology Category: Wind 50 kW – 999 MW Standard Project Size for calculating ceiling price: 750 kW			
Input category	Recommended Input	Notes on Assumptions	Source
Expected Annual Average Net capacity factor, (%)			
Annual Production Degradation (%)	Proposed at: 0.5%		
Total installed cost (\$/kW), excl. Interconnection Cost			
Typical Interconnection cost (\$)			
O&M expenses (\$/kW-yr), Yr 1 (excluding those listed below)			
Insurance, Yr 1, (provide as % of total project cost, or in \$/yr)			
Project Management, Yr 1 (\$/yr)			
Land Lease, Yr 1 (\$/yr)			
Annual average escalation rate for O&M expenses (%)			
Royalties (% of revenue, or \$/yr)			
Property Taxes (\$ in Yr 1 and annual adjustment factor, or as annual estimates with methodology clearly described ⁸)			
<i>See request on next page for wind financing assumptions with and without PTC/ITC.</i>			
Decommissioning Reserve? If yes, how much?			
Other Comments:			

⁸ The methodology, assumptions and calculation of annual property tax estimates can be provided separately.

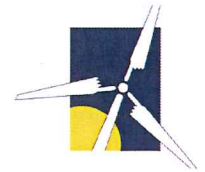


Technology Category: Wind 50 kW – 999 kW			
Standard Project Size for calculating ceiling price: 750 kW			
Financing Assumptions <u>With</u> PTC			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			
Financing Assumptions <u>Without</u> PTC			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			



Technology Category: Anaerobic Digestion 50 kW – 3 MW Standard Project Size for calculating ceiling price: 500 kW			
Input category	Recommended Input	Notes on Assumptions	Source
Biogas consumption/day (cubic ft/day)	150,000		
Energy content/cubic foot (BTU/cubic ft)	650		
Heat Rate (BTU/kWh)	9,000		
Availability Factor	92%		
Station Service/Parasitic Load	10%		
Annual Production Degradation (%)	0%		
Total installed cost (\$/kW), excl. Interconnection Cost			
Typical Interconnection cost (\$)			
O&M expenses (\$/kW-yr), Yr 1 (excluding those listed below)			
Variable O&M (¢/kWh), Yr 1 (excluding those listed below)			
Insurance, Yr 1, (provide as % of total project cost, or in \$/yr)			
Project Management, Yr 1 (\$/yr)			
Land Lease, Yr 1 (\$/yr)			
Annual average escalation rate for O&M expenses (%)			
Royalties (% of revenue, or \$/yr)			
Property Taxes (\$ in Yr 1 and annual adjustment factor, or as annual estimates with methodology clearly described ⁹)			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			
Decommissioning Reserve? How much?			
Tipping Fees/Digestate Rev, if applicable: \$/ton, and tons per year			
Other Comments:			

⁹ The methodology, assumptions and calculation of annual property tax estimates can be provided separately.



Technology Category: Hydroelectric ¹⁰ 50 kW – 1 MW			
Standard Project Size for calculating ceiling price: 500 kW			
Input category	Recommended Input	Notes on Assumptions	Source
Expected Annual Average Net capacity factor, (%)			
Annual Production Degradation (%)			
Total installed cost (\$/kW), excl. Interconnection Cost			
Typical Interconnection cost (\$)			
O&M expenses (\$/kW-yr), Yr 1 (excluding those listed below)			
Variable O&M (¢/kWh), Yr 1 (excluding those listed below)			
Insurance, Yr 1, (provide as % of total project cost, or in \$/yr)			
Project Management, Yr 1 (\$/yr)			
Land Lease, Yr 1 (\$/yr)			
Annual average escalation rate for O&M expenses (%)			
Royalties (% of revenue, or \$/yr)			
Property Taxes (\$ in Yr 1 and annual adjustment factor, or as annual estimates with methodology clearly described ¹¹)			
Length of construction period (mos)			
Source (D/E) and cost (e.g. interest rate) of construction financing			
Permanent debt/equity (D/E) ratio			
Permanent debt term (years)			
Interest rate on debt (%)			
Lender's fee (% of loan amt)			
Avg. Debt Service Coverage Ratio			
After-tax target equity IRR (%)			
Decommissioning Reserve? If yes, how much?			
Other Comments:			

¹⁰ To be eligible for the DG contracts program, hydro facilities must meet the RI RES eligibility criteria established in CRIR 90-060-015 [Rules and Regulations Governing the Implementation of a Renewable Energy Standard](#).

¹¹ The methodology, assumptions and calculation of annual property tax estimates can be provided separately.



Net capacity factor (NCF), Year 1 (%) - Capacity Factor is the % representation of the actual annual production vs. the theoretical maximum annual production of an energy project. This model requires the input of a Net Capacity Factor, meaning that the estimate of actual energy production should take into account all electricity losses (including those incurred between the generating facility and the contract delivery point), scheduled and unscheduled maintenance, shading, forced outages, and any other factors that could reduce production. For a solar facility, both capacity and capacity factor should be reported as DC. For a wind plant, this number should reflect the average annual P50 estimate.

Total installed cost: This includes the total expected all-in installed project cost, which should include all hardware, balance of plant, design, construction, permitting, development (including developer fee), interest during construction and financing costs. This figure should not account for any tax incentives, grants, or other cash incentives, which will be accounted for separately. It should also exclude the assumed interconnection cost, which is specified separately.

Interconnection cost: Please include your assumptions about the “typical” interconnection cost for a system in Rhode Island. Interconnection costs include costs relating to connecting to the grid, such as the construction of transmission lines, permitting costs with the utility, and start-up costs. This category will also include the cost of a new substation, if necessary.

O&M expenses: Operations and maintenance includes all fixed and variable expenses associated with project operations. Annual expenses for insurance, property taxes, land leases, royalties, and project management should be itemized separately.

Length of construction period: The # of months from construction start to commercial operation.

Source and cost of construction financing: This indicated whether construction is funded with debt, equity or a combination thereof, and at what interest rate or target IRR.

Permanent Debt-to-equity ratio. This specifies the ratio of the portion of funds borrowed (as a percentage of the total hard costs) to the portion of project funds supplied as equity. This is typically expressed as Debt / Equity – i.e. 70/30 or 50/50, etc.

Interest rate: The all-in interest rate is the financing rate provided by the bank or other debt investor.

Lender’s Fee: This is the fee taken by the bank for originating the loan. It is expressed as a percentage of the total amount borrowed.

Debt Service Coverage Ratio: Denotes the requirement for cash flow available for debt service to be larger than the annual debt obligation itself. It is typically expressed as a ration of EBITDA (operating income) to annual debt service obligation. This survey requests the average DSCR required by the lender during the term of the loan.

Return on equity: This is the minimum after-tax internal rate of return required to attract equity investment to a project of the indicated scale, with the indicated D/E ratio.

Decommissioning Reserve: Represents the potential need to encumber cash flows from operations in order to demonstrate the availability of funds sufficient to pay for the removal of equipment from the project site at the conclusion of the facility’s useful life.