

ATTACHMENT F: CONTRACT QUESTIONNAIRE

Proposed Supplier Name:
Proposed Project Title:
Applicant Preparer:
Applicant Phone:
Applicant Email:

Questions answered through presentation of the proposal's narrative or business plan do not need to be replicated in detail in this questionnaire. Respondents may choose to answer this questionnaire directly within this document or may choose to briefly summarize the response and then reference the detailed answer in their proposal indicating a page number(s) wherein the answer can be located. Indicate N/A if a question is not applicable.

1. Background on Proposer

1a. Provide proposer's legal name, address, structure (e.g., sole ownership, corporation, joint venture, partnership, LLC, LLP, etc.), nature of business and description, number of years in business, number of permanent employees, federal tax identification number, legal names of parent company and/or subsidiaries, organizational structure of each entity, and state or country in which each entity was formed or incorporated. If proposer is a corporation or partnership, provide proof of business registration (from the Business Registration Division of the Department of Commerce and Consumer Affairs, State of Hawaii) if registered to do business in Hawaii.

1b. Provide name, title, and background of officers, owners, or partners of each entity (including members of Board of Directors, persons or entities holding a 10% or greater ownership interest, general partner of a limited partnership, etc.).

1c. Provide proposer's trade name (if different from legal name). Is trade name federally registered? Is trade name registered in any state(s)?; if yes, where?

1d. Does proposer have an office in Hawaii? If yes, please provide address.

1e. Provide street and mailing (if different from street) addresses of proposer's corporate office.

1f. Provide articles of incorporation, bylaws, shareholder agreements, operating agreements and other information that describes proposer's business practices.

1g. Provide name, title and background of project team (including those responsible for design, construction, permitting, operations and maintenance).

1h. Provide information on the organizational structure of the project team and include any agreements, financial sheets, or other relevant information.

1i. Please identify all known or anticipated sources of capital for proposer's project.

1j. Provide a listing of other projects (project name, location, capacity, fuel type, status, output purchaser) installed, owned or developed by project team. If the projects were not installed, owned or developed solely by the project team, identify all other responsible parties or affiliates and their respective interests and roles in the projects.

1k. Provide a listing of other projects (project name, location, capacity, fuel, status, output purchaser) operated by project team. If the projects were not operated solely by the project team, identify all other responsible parties or affiliates and their respective interests and roles in the projects.

1l. For all financed projects installed, owned, developed, or operated by project team, identify underwriters, advisors, debt sources, etc.

1m. Provide contact information of references (name, company, telephone number, e-mail address) for each project listed in 1j and 1k.

1n. Provide current financial statements of all entities involved in the project team. This shall include items such as audited financial statements not over twelve (12) months old, debt ratings, annual reports, FERC Form 1, credit reports (issued not more than three (3) months ago from a credit reporting agency) and any other applicable financial information. If none of the above is available, provide verifiable financial statements for the past three (3) years if available, and Dun and Bradstreet identification number where available.

1o. Describe the type, carrier, amounts and deductibles for any insurance you carry relating to liability and property coverage.

1p. Has proposer ever been disqualified from doing business in any state or country? If yes, where?.

1q Has proposer or its parent, or any subsidiaries, affiliates, principals, majority owners, or predecessors ever filed bankruptcy, or had a petition for involuntary bankruptcy filed against it within the last ten (10) years? If yes, please attach explanation.

1r. Describe any and all completed, pending and potential litigation and regulatory proceedings that could affect the viability of the proposer's proposal or the proposer's financial stability, including without limitation any civil and criminal proceedings involving any principals of the proposer.

1s. Provide the total volume of biofuel sold commercially by your company for the calendar years of 2007 through 2009. What is the company's sales volume estimate for the calendar year of 2010?

1t. If applicable, describe commercial sales by your company of products other than biofuel. What is the company's gross sales revenue of these other products for the calendar years of 2007 through 2009? ...for 2010?

1u. Has your company or any of its principals had any recordable biofuel or fuel distribution related safety incidents in the past 3 years? If so, how many and what was their nature?

1v. Has your company or any of its principals had any reportable environmental incidents in the past 3 years? If so, how many and what was their nature?

2. Permits and Approvals

2a. Does any part of your project require review and/or permitting by any federal, state, regional, local, environmental, or regulatory agency? If yes, please describe the required reviews and permits for each part of the project, including environmental assessments or environmental impact statements.

2b. Have any reviews (e.g., NEPA documentation, permits, agency consultations) already been completed? If yes, is a finding or report available and how can a copy be obtained?

2c. For each required review or permit that has not been completed, please describe the process you will use to complete that task, the risk factors that may impact the likelihood that you will get the permit or get a favorable review and a timeline for completing each.

2d. Describe land and use rights for proposed project, such as location, ownership, current zoning, size, water rights and cost of project site.

2e. Provide status and copies of any agreements for any necessary land lease and easements, rights of way, and the like.

2f. Describe and provide all licenses received or description of plans to obtain licenses

2g. Describe and provide all approvals required for completion of the project.

2h. Describe level of community support and provide the communications plan to gain public support for the proposed project.

3. Project Performance, Flexibility and Viability

3a. Describe the feedstock, feedstock conversion process and characteristics of the biofuel proposed. Provide biofuel specifications of the proposed product.

3b. Specify the heat content in BTU - HHV per gallon of your finished product. The BTU – HHV (high heating value) is the gross calorific value or gross energy of a fuel.

3c. Describe specific resources (processes, tools, patents, expertise, etc.) that substantially differentiate you from your competition. Indicate if these resources are currently used in commercial biofuel production and if not, describe their current stage of development.

3d. Identify the feedstock-to-biofuel supply chain and infrastructure. For example, location, type and capacity of storage facilities at the processing location and at the origin of feedstock supply.

3e. Describe ability to expand at the proposed site(s).

3f. Identify provisions offered by the proposer for providing liquidated damages in the event of failure-to-perform by the proposer.

3g. Describe permitting, regulatory, utility rules, and other issues which may delay or impede project completion or long-term operation.

3h. Provide project schedule with key milestones (include permitting, land lease, major equipment purchase, etc) and which ones should be considered firm go/no-go decision points. Please note: This will be a critical part of the contract for every project. Propose milestones that are both realistic, but also will provide the most accurate measures of the progress towards success. While HECO will likely work with the Proposer to refine these benchmark-milestones, proposals that start with a weak milestone structure will be at a significant disadvantage.

3i. Provide description of operation and maintenance (O&M) plan.

3i. Provide description of biofuel quality assurance plan.

3k. Describe your ability, if any, to secure biofuel from an alternative source or supplier if your primary source or processing method fails for any reason. Include the following:

- i. Contingency plans
- ii. Plans for alternative feedstock sources and finished product resources if there is an interruption in the supply chain of the primary source.

4. Project Financing

4a. Describe any economic stimulus or grant funding expected for possible inclusion in the project; provide items and timeline required to qualify for such funding.

4b. Provide project *pro forma* (e.g., income statement, balance sheet and cash flow which show cost items and schedule for major equipment, land acquisition, and other costs).

4c. Describe the assumptions used to formulate the *pro forma* and pricing proposal (e.g., escalation factors, tax credits, tax rates, etc.).

4d. Provide proposed permanent financing approach (i.e., recourse debt, non recourse debt, common equity, preferred equity, etc.) and the extent to which financing will be provided by affiliated persons or entities.

4e. Provide proposed financing approach and schedule for project development, major equipment purchase, and construction phases, if different than the permanent financing and the extent to which financing will be provided by affiliated persons or entities.

4f. Provide a list of all of the sources of government subsidy that you anticipate as part of the financial model (e.g. tax subsidies, biofuel subsidies, carbon credits, etc.). Define which are firm and which are anticipated based on future government decisions.

4g. HECO may request a performance bond or letter of credit to guarantee the Selected Supplier's performance under the Contract. Discuss whether you can provide a performance bond or letter of credit to HECO to guarantee performance and what the dollar amount and terms of the same would be.

5. Feedstock Sustainability and Additional Environmental Considerations

5. Describe the proposed activities that will be required to produce the feedstocks, the biofuels, other products and waste products. Describe the activity as specifically as possible with special reference to any parts of the project that will raise environmental or permitting issues. In particular, please cover the following topics:

a. Briefly describe the entire strategy for producing the biofuels.

b. Describe the feedstocks including:

1. The specific method for growing/making the feedstock
2. The location(s) of the feedstock growth/production
3. How feedstocks are stored
4. Other products (marketable items) that will be produced
5. Waste products

c. Describe the method for converting the feedstocks into fuel including:

1. The specific method
2. How feedstocks will be transported to the processing location
3. The location of the conversion process
4. How and where the biofuel will be stored
5. Other products that will be produced
6. Waste products

d. Describe how the fuels will be transported to each HECO location.

5e. Does the grower hold clear title to the land? If the grower is leasing the land, does the lessor hold clear title to the land?

5f. Has this land been previously used for agriculture or has it been recently converted from natural ecosystem? If converted from natural ecosystem, did this conversion occur before or after 2005? Please give a brief history of the land use for the past 20 years (preferably as a time-line). If different parts of the property have different histories, please define the history for each parcel separately. If the parcels have been used for agriculture, please list the crop types and general farming practice. If the land has been in a natural, semi-natural or fallow state, please describe the ecosystem in each period and, if in active conservation, what the conservation goals are at present.

5g. How do you intend to clear the land for new plantings?

5h. Do you plan to use fire to clear land for new plantings?

5i. Has the supplier developed and implemented a management plan that addresses long-term economic and financial viability and is responsibly considering the social and cultural effects of the operations on employees and communities?

5j. Provide an explanation of how you intend to comply with Section 3.6 of the HECO-NRDC Policy, Attachment H: How do you identify, reduce, and monitor any polluting activities and emissions, including greenhouse gases, resulting from your feedstock growers' practices and refinery operations?

5k. Does the feedstock change ownership from cultivation through delivery as a finished biofuel? If so, describe the methods used to trace and document the chain of custody of feedstock you intend to use for fuel from its cultivation in the fields to the manufactured biofuel to be transported to HECO. For yellow grease or animal fats, please provide tracing methods from the initial source of each material.

5l. Describe the practices and policies that the feedstock growers follow to comply with environmental sustainability.

5m. Describe your practices and policies with respect to the environmental sustainability of feedstocks you use or expect to use to produce the biofuel that would be sold to HECO.

5n. Describe how the potential supplier will work toward compliance to the Roundtable for Sustainable Biofuels ("RSB") Principles and Criteria and prepare to achieve future certification under RSB.

If the proposal is for biofuel made from locally grown palm oil feedstock, please state whether you can fully comply with the HECO-NRDC Policy, Attachment H and supply palm oil certified by the Roundtable for Sustainable Palm Oil ("RSPO"). _____

If you propose to supply palm oil, please provide responses to 5n. through 5r.:

5o. Provide the name and location of the plantation(s) that the palm oil will be sourced from. Please confirm the plantation is RSPO certified.

5p. Provide the name and location of the processing facility that will refine the palm oil into biofuel. Please confirm the facility is RSPO certified.

5q. If the plantation(s) or processing facility is not RSPO certified at the time of the response to this RFP, please define the approach and timeline to obtain RSPO certification.

5r. Please confirm the ability of the seller to provide the list of chain of custody documentation to meet feedstock source identification and segregation requirements.

5s. Please indicate if any of the following conditions or special areas is present, required, or could be affected by your project. For each item listed below please indicate:

- Yes or No,
- The specific nature or type of activity or condition,
- Whether a consultation, approval, or permit applies and a description and status of the permitting/approval/documentation process.
- Where appropriate, please indicate if additional documentation is available.

1. Clearing or Excavation (indicate if greater than 1 acre)
2. Dredge and/or Fill. Specify the number of acres.
3. New or Modified Federal/State Permits and/or Requests for Exemptions
4. Pre-Existing Contamination
5. Asbestos
6. Criteria Pollutants
7. Non-Attainment Areas
8. Class I Air Quality Control Region
9. Navigable Air Space
10. Areas with Special Designation (e.g., National Forests, Parks, Trails)
11. Prime, Unique or Important Farmland
12. Archeological/Cultural Resources
13. Threatened/Endangered Species and/or Critical Habitat
14. Other Protected Species (Wild Burros, Migratory Birds)
15. Floodplains
16. Special Sources of Groundwater (e.g., Sole Source Aquifer)
17. Underground Extraction/Injection (non-hazardous substances)
18. Wetlands
19. Coastal Zones
20. Public Issues or Concerns
21. Noise
22. Depletion of a Non-Renewable Resource
23. Aesthetics
24. Odor

5t. Would your project use, disturb, or produce any chemicals or biological substances? (i.e., pesticides, industrial process, fuels, lubricants, bacteria) For each materials or processes listed below please indicate:

- Yes or No,
- Quantity,
- Whether a permit is required and if so what type of permit,
- Specific type, use, or condition,
- Where appropriate, please indicate if additional documentation is available.

1. Polychlorinated Biphenyls (PCBs)
2. Import, Manufacture, or Processing of Toxic Substances
3. Chemical Storage, Use, and Disposal (including fertilizers)
4. Pesticide Use
5. Herbicide Use
6. Hazardous, Toxic, or Criteria Pollutant Air Emissions

7. Liquid Effluent
8. Underground Extraction/Injection (hazardous substances)
9. Hazardous Waste
10. Underground Storage Tanks
11. Biological Materials. (other than genetically altered materials which are covered below)

5u. Would your project require or use any genetically modified materials? If it will, please indicate:

1. What kinds of GMO organisms will be used
2. Whether these organisms are already approved for use in Hawaii
3. Plans for gaining approval for any new organisms
4. The risks associated with the use of these organisms in Hawaii

5v. Would your project require or produce any radiological materials? For each item below, please indicate:

- Yes or No,
- Quantity,
- Whether a permit is required and if so what type,
- Specific nature of use,
- Where appropriate, please indicate if additional documentation is available.

1. Radioactive Mixed Waste
2. Radioactive Waste
3. Radiation Exposures

5w. The project is required to do an acceptable life-cycle analysis of the total greenhouse gas emissions associated with the production and use of this biofuel. It should use an accepted methodology such as the carbon assessment protocols recognized by the California Air Resources Board or the Department of Energy GREET model. It should define all assumptions.

Is a life-cycle analysis submitted with your proposal?

If not:

When do you expect to complete a life-cycle analysis?

What are the outstanding data requirements, if any, needed to complete a life-cycle analysis?