

**REQUEST FOR PROPOSALS  
FOR  
LANDFILL GAS TO ENERGY PROJECT (#09-121)  
SOUTH WAKE & FELTONSVILLE LANDFILLS**

**Addendum No. 2  
Issued: November 5, 2009**

Proposers on this Project are hereby notified that this Addendum shall be attached to and made a part of the above named Request for Proposals dated October 2009.

The following items are issued to add to, modify, and clarify the Proposals documents. Proposals, to be submitted on the specified proposal date, shall conform to the additions and revisions listed herein. Acknowledge receipt of this addendum with the submitted proposal.

### **Questions & Clarifications**

The following is issued in response to questions and clarifications. The comment / question is followed by a response in italics.

- 1. Regarding greenhouse gases and eligibility of potential carbon credits, will the South Wake and Feltonsville Landfills be considered one landfill for NSPS applicability?**

*With respect to how the County approaches operations, planning, contracting, and general communications, the County addresses the closed Feltonsville Landfill and the active South Wake Landfill as separate solid waste management facilities. These two landfills have been issued separate Solid Waste permits from NCDENR. Neither Facility has been issued an air quality permit from NCDENR Division of Air Quality (DAQ).*

*The County submitted an Initial Design Capacity Report to NCDENR DAQ for the South Wake Landfill prior to the construction of Phase 1A. The County is not in a position to render a determination on whether the DAQ (or USEPA) believes the two landfills to be a single solid waste management facility for purposes of applicability and compliance under the provisions of the Clean Air Act. The County fully expects that a Title V Air Operating Permit will be necessary at some future date.*

- 2. Has the County performed Tier 2 sampling for purposes of deferring the requirement to install and operate a mandatory landfill gas system?**

*The County fully expects that a Title V Air Operating Permit will be necessary for the South Wake Landfill at some future date. At such time, the County intends to perform the Tier 2 testing and sampling activities in accordance with Method 25C to measure the site-specific NMOC concentration. The County cannot speculate whether the results of such future testing will defer the requirement to install and operate a mandatory landfill gas collection and control system.*

- 3. Please describe Novartis' expected use of the landfill gas?**

*Refer to the Feasibility Study for details regarding Novartis' expected uses of the landfill gas. Fred Sapp of Novartis commented that the facility intends to consider*

*utilizing landfill gas as a fuel source for a number of potential applications, including boilers, gas-fired chillers, and back-up generators.*

- 4. Is there any additional information available about the quality and quantity of gas expected from the Feltonville landfill?**

*SCS Engineers conducted a pump test earlier this year and samples of the landfill gas collected from the Feltonville Landfill were analyzed for various constituents. A report will be placed on the County Bids and Proposals website for review.*

- 5. Is it the County's intension to combine the gas collection systems from both Feltonville and South Wake through the use of one blower and flare station?**

*Yes.*

- 6. The proposal document (Exhibit 3) refers to gas quantity for proposal purposes, what about gas quality? If a proposer has a differing opinion as to the amount of gas that would be available or usable, can the proposer provide an alternative proposal based upon revised numbers?**

*First, note that an error has been found in how the quantities of gas have been represented in Exhibit 3 (Proposal Form). A revised version of Exhibit 3 will be posted to the website for use. Secondly, a note will be added to the Proposal Form that the quantity of gas is based upon 50% methane content. Finally, the County wants all proposers to fill out the "base" Exhibit 3 as the County has designed it. Proposers are welcome to submit additional copies of Exhibit 3 completed to reflect alternative proposals based upon alternative amounts of gas quantity (or quality) as long as they also provide a proposal based upon the County's numbers. Make sure and label the alternative proposals as such.*

- 7. Can the selected gas developer be the operator of the landfill gas collection system?**

*The County intends to issue a separate Request for Proposals for the operation and maintenance of the landfill gas collection system early next year. We do not anticipate disqualifying the successful gas developer from submitting a proposal for landfill gas collection system operation and maintenance; however, it is important to note that if the same company ends up with both projects, the expectation is that there will be separate contracts for each project.*

- 8. An example was provided of another location where the owner was not properly operating the landfill gas collection system. Concern was expressed about the gas developer not having control of the gas collection system.**

*Wake County is maintaining control of the gas collection system so that we can appropriately manage odors from the site and maintain air permits. It is the County's intention to maximize the use of the gas. These concerns can be addressed in the eventual contract between the County and the gas developer.*

- 9. In the Proposal Form (Exhibit 3) is it appropriate to have a \$/KWhr since the County will only be selling gas to the developer?**

*We still believe this is an appropriate column to leave in the exhibit. If it doesn't apply to your particular project, feel free to leave it blank or place N/A; however, for a project*

*that is an electrical power project the developer may chose to pay the County some portion of their sales to Progress Energy and this could be represented in this column.*

- 10. Could you provide the name and location of any existing natural gas pipelines, whether interstate, intrastate, or local distribution company [gas utility] lines, near the landfill site; or the nearest local gas utility line if no other pipelines exist; as well as any contact information for the respective pipeline owners/operators?**

*A map depicting the alignment of the natural gas transmission pipelines will be posted on the County's website for general reference. The County suggests that developers contact the local gas distribution company (PSNC Energy) to obtain detailed information. A Reid Crane with PSNC Energy would be an appropriate contact at (919) 367-2713.*

- 11. What are the issues surrounding local siting approval or zoning requirements for the potential project? Are all three of the potential interconnect locations that were evaluated in the Progress Energy study located within Wake County's jurisdiction?**

*Various portions of the SWLF property fall within the Town of Apex, the Town of Holly Springs, or Wake County jurisdiction. Site 1 is located within Wake County jurisdiction and is the County's preferred location.*

- 12. Per the RFP the County intends to lease land to the gas developer for their use. Does the County know whether the "Common Control" provisions of the Clean Air Act or other directive from the regulatory agency will require the developer's facilities to obtain a separate air permit or be considered part of the landfill's air permit?**

*The County prefers that the developer's facilities apply for, and be issued, separate permits under applicable environmental programs. The County is not in a position to render a determination on whether the DAQ (or USEPA) believes any potential emission sources associated with the developer's facilities would be considered additional sources under the landfill's future air quality permit for purposes of applicability and compliance under the provisions of the Clean Air Act.*

- 13. What if Apex or Holly Springs enact some type of tax on the landfill gas?**

*Proposals should be based upon the current laws and requirements. The eventual contract will deal appropriately with currently unknown or speculative taxes.*

- 14. Are the 5-year extensions to the term of the contract at the County's discretion?**

*Yes.*

- 15. Please clarify if a Letter of Credit will work as the Proposal Security?**

*The following are the only acceptable forms of proposal deposit*

- a) cash,*
- b) certified check,*
- c) cashier's check,*
- d) bid bond (executed by a corporate surety licensed under the laws of North Carolina)*

- 16. Will the County take the condensate from the gas development project?**

*For purposes of submitting a proposal, potential respondents should anticipate being required to manage and dispose of the condensate that is collected at the developer's facilities separately from any liquids management facilities serving the landfill or the County's landfill gas collection and control system. The technical and cost implications associated with this issue can be evaluated and addressed in the eventual contract between the County and the gas developer.*

**17. In the Notice of Violations and Compliance Actions section, does the proposal have to report on NOV's or Compliance Actions for parent companies outside of the realm of landfill gas facilities?**

*The same conditions of reporting apply to the parent company as they do for the proposer – NOV's or Compliance Actions received at Landfill Gas to Energy Facilities in NC, SC, VA, TN and GA from Jan. 1, 2004 through Oct. 1, 2009.*

**18. Is there a "master plan" of gas well expansion for the SWLF?**

*A master plan per se has not been developed; however, within the Feasibility Study is a 15-year capital expenditure plan that depicts the County's anticipated gas wellfield expansion plans. These expenditures are subject to annual appropriations by the County Board of Commissioners and represent the current plan and approach regarding expansion of the gas well field.*

**19. The PEC Interconnect Study refers to 3.2 Megawatts of gensets. Is this the maximum?**

*The County has authorized PEC to expand their study to 9.6 Megawatts. The results of this study are pending and will be made available prior to the proposal due date.*

**20. The Feasibility Study refers to Novartis needing 2000-3000 scfm for their facilities. Is this "all or nothing"?**

*Mr. Fred Sapp from Novartis represented that they either want all the gas they can use or none of it. Fred also indicated that he would appreciate it if there are further questions regarding Novartis' facilities to please forward those questions to the County. We will approach Novartis with the various questions and provide responses as soon as possible.*