

Great Plains Applied Energy Research Center Status Report December 1, 2009

The Great Plains Applied Energy Research Center continues under development. This concept represents a link between energy research generated in the laboratory and the application of these new energy concepts in the field. The center will serve to test energy technology applications on a small scale so they may be more reliably implemented in the field at a lower cost and with a greater opportunity for success.

The first step identified and pursued by the City of Bismarck and project partners was to apply for a grant from the federal Economic Development Administration (EDA) to complete a feasibility study. An application was submitted in May, 2009, requesting \$100,000 of EDA funding to be matched by an additional \$100,000 of project partner funding for a two-pronged study: first, to determine the feasibility and financial sustainability of the project concept; and, second, if the concept is determined feasible, to prepare a longer-term business plan. Matching dollars for the EDA grant were provided by the City of Bismarck and by six ND energy companies.

Approval of the EDA grant was announced on August 21, 2009 by ND's Congressional delegation. A request for proposal for the services of an energy consultant to complete the feasibility study had already been prepared and was distributed on August 27, 2009. The intention was to complete the study by late January, 2010. However, only one proposal was received and during due diligence investigation we determined that many of the fourteen firms solicited did not get the materials at a level at which a decision to respond could be made. The RFP was re-opened and distributed on a more focused basis. It will close on December 3, 2009. If a satisfactory proposal is received completion of the initial feasibility study is expected by mid-April, 2010.

The City of Bismarck and project partners believe that the Great Plains Applied Energy Technology Center is an exciting economic development opportunity for the community and for the state. At the same time, no state dollars will be expended until a feasibility study and business plan are completed indicating the proof of concept and long-term sustainability of the proposed Center.