

Potential Decision Matrix for Subcommittee's Use

Issue	How to Evaluate
1. Construction cost estimate; engineering estimate	Obtain cost & engineering estimates
-Turbine cost	Website shows: \$1.670K
-Civil construction cost	Website shows: \$950K
-Logistics cost	Website shows: \$840K (Logistics+Geotech.)
-Geotechnical costs	
-Interconnect upgrade costs & charges	Roughly \$100K
2. Potential legal & financial expenses:	Need access to Town Counsel advice
	Contingency fund for addressing lawsuits?
Bonding & development cost	\$300,000
3. Availability: Operating history from actual experience of proposed machine	Obtain actual turbine experience data (Note: Hull turbine has long track record); availability of "bumper-to-bumper" warrantee
	Preventative maintenance (asset management)
4. Electricity cost & escalation	Run model to identify critical floor
-Possibly flat for next 5 yrs.	
-Impact of low(er) natural gas prices	
5. Net metering	
-Up-front eligibility risk	Update: Status quo (802Kw cap) vs. join queue. Aronson to write up options
-Ongoing political risk (Romney no; Patrick yes)	Any contractual guarantee?
6. Financial considerations & cash flow risks	David Worth
7. Other overhead costs	
-Insurance (if available) for business interruption/contingent liability	Ask Town administration
-Other?	
8. Turbine reliability	
-Failure rate data on major parts to foresee mean time to failure	RFP to require actual turbine experience data
9. Size of capital reserve	David Worth
10. O & M	
-Costs: Escalation factor	
-Staffing	
11. Supply chain & parts availability	
12. Dismantling costs	Carry a project decommissioning cost
13. Capacity factor (load factor*operating factor)	(1) Draft 1-pager "Relevant Measures of...Capacity". (2) Evidence from 660 Vesta >5-yr record (18% actual vs. 25%). (3) Hull @ 27; Cape Wind @ 36. (4) Sensitivity analyses?
14. Effects on value of adjacent properties	Berkeley study (on website)
	Perform sensitivity analysis: Use 8.56 +/- an appropriate standard deviation. 1-pager from Kaminsky
15. Average windspeed at hub	
16. Renewable energy certifs (RECs)	Memo from Aronson
Version of 2/2/12	