



Division of Solid Waste

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January 4, 2017

From: Terry Ludlum
Solid Waste Utility Director
2301 8th Ave. N. Fargo, ND 58102

To: Karlene Fine, Industrial Commission of North Dakota
State Capitol – Fourteenth Floor
600 E Boulevard Ave Department 405
Bismarck, North Dakota 58505-0840

Dear Ms. Fine,

On behalf of the City of Fargo, I submit herewith a status report of the construction of a Landfill Gas (LFG) to Compressed Natural Gas (CNG) fast-fill fueling station at the site of the City of Fargo's main landfill as required within Contract No. R-027-037 between the North Dakota Industrial Commission (NDIC) and the City of Fargo.

As a project overview, the City of Fargo previously received an allocation of \$2,875,000 for Qualified Energy Conservation Bonds (QECB) from the NDIC to fund **Phase I** of the overall LFG to CNG project. **Phase I** will include all equipment and engineering costs to convert the captured LFG to a natural gas (NG) quality product. It is estimated that the gas conversion equipment costs will be approximately \$2,765,000. **Phase II** of the project will be the development of the CNG Fast Fill Fuel Station which will distribute the converted gas. **Phase II** cost has been estimated at \$3,514,000 which will be funded with \$5000,000 as provided in Contract No. R-027-037, \$500,000 in matching City of Fargo funds, and the balance included in the annual Solid Waste Division Landfill Capitol Improvement Budget.

As shown on the below-listed LFG to CNG Project Schedule (updated) and as presented to the Renewable Energy Council on July 21st, 2016, all funds described in Contract No. R-027-037 will be utilized for **Phase II** of the Project which is scheduled to begin in March of 2018.

LFG to CNG PROJECT SCHEDULE:

Phase I – Compressor Upgrade and Gas Clean-up Equipment

Does not include funds as defined in NDIC Contract No. R-027-037.

- | | |
|---|---------------|
| ▲ Prepare and Advertise for Equipment | January 2017 |
| ▲ Select/Procure Equipment | February 2017 |
| ▲ Delivery of Equipment | April 2017 |
| ▲ Design of Balance of Plant | May 2017 |
| ▲ Prepare Bid Documents for Installation Contract | May 2017 |
| ▲ Construction Phase | August 2017 |
| ▲ Start-up and Training | October 2017 |

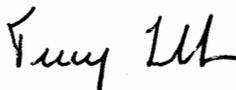
Phase II – CNG Fast Fill Fueling Station

Includes funds as defined in NDIC Contract No. R-027-037.

- | | |
|---|---------------------|
| ▲ Prepare and advertise for Equipment | March 2018 |
| ▲ Select/Procure Equipment | June 2018 |
| ▲ Delivery of Equipment | September 2018 |
| ▲ Design of Balance of Plant | November 2018 |
| ▲ Prepare Bid Documents for Installation Contract | January 2019 |
| ▲ Construction Phase | July-September 2019 |
| ▲ Startup and Training | September 2019 |

In summary, the City of Fargo Solid Waste Division has not included any of the funds defined within Contract No. R-027-037 or any City matching funds in the 2017 Landfill Capitol Improvement budget. Funds described within the contract and matching funds will be included in the 2018 and 2019 budgets for the development of **Phase II – CNG Fast Fueling Station**. As per the contract between the NDIC and the City of Fargo, another status report will be submitted on July 1, 2017. Please feel free to contact me directly should you have additional questions or comments regarding this submittal.

Respectfully,



Terry Ludlum
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