



# SOLAR PROCUREMENT UPDATE

Prepared by:  
ARC Alternatives  
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Prepared for:  
Cameron Park Community Services District

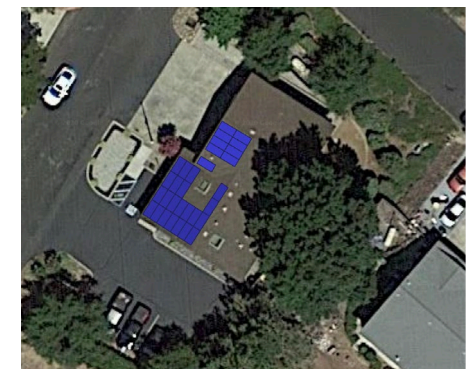
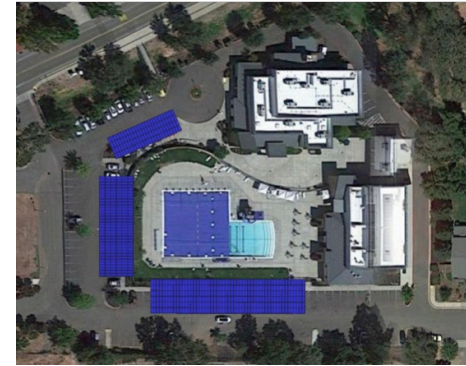


# Background

- Cameron Park Community Services District released a pricing solicitation on June 8, 2020 for solar projects at three District facilities.
- The pricing solicitation was sent to 40 potential solar vendors and the District received pricing proposals back from four vendors

## Solicitation Asked For:

- Cash purchase and Power Purchase Agreement (PPA) pricing for solar at the following locations:
  - Community Center
  - Fire Station 89
  - Fire Station 88
- Energy production targets specified, not system size
- Preferred system locations, consistent with Feasibility Study, identified in solicitation



# Financial Modeling Results – Solar Savings (Before Costs)

Proposer	Proposed Solar Capacity (kW-DC)	First Year Values				Life Cycle Values			
		First Year Solar Production (kWh)	First Year Usage Offset	First Year Utility Savings <i>before costs</i> [1]	First Year Bill Offset Percent	Life Cycle Solar Production (kWh)	Life Cycle Usage Offset	Life Cycle Utility Savings <i>before Costs</i> [1]	Life Cycle Bill Offset Percent
SunWorks	263	433,989	93%	\$103,335	85%	10,223,034	87%	\$3,879,718	82%
Solar Norcal	266	413,356	88%	\$99,723	82%	9,736,988	83%	\$3,745,548	79%
Cal Solar	261	414,857	89%	\$100,255	82%	9,772,352	84%	\$3,765,095	79%
Brighton Energy	262	392,707	84%	\$96,176	79%	9,250,585	79%	\$3,604,540	76%

[1] Utility bill savings or revenue generated by the installed systems (either first year or life cycle) before considering project costs.

- ***Cal Solar not evaluated further due to system costs on a \$/W basis and lack of detail in their response***

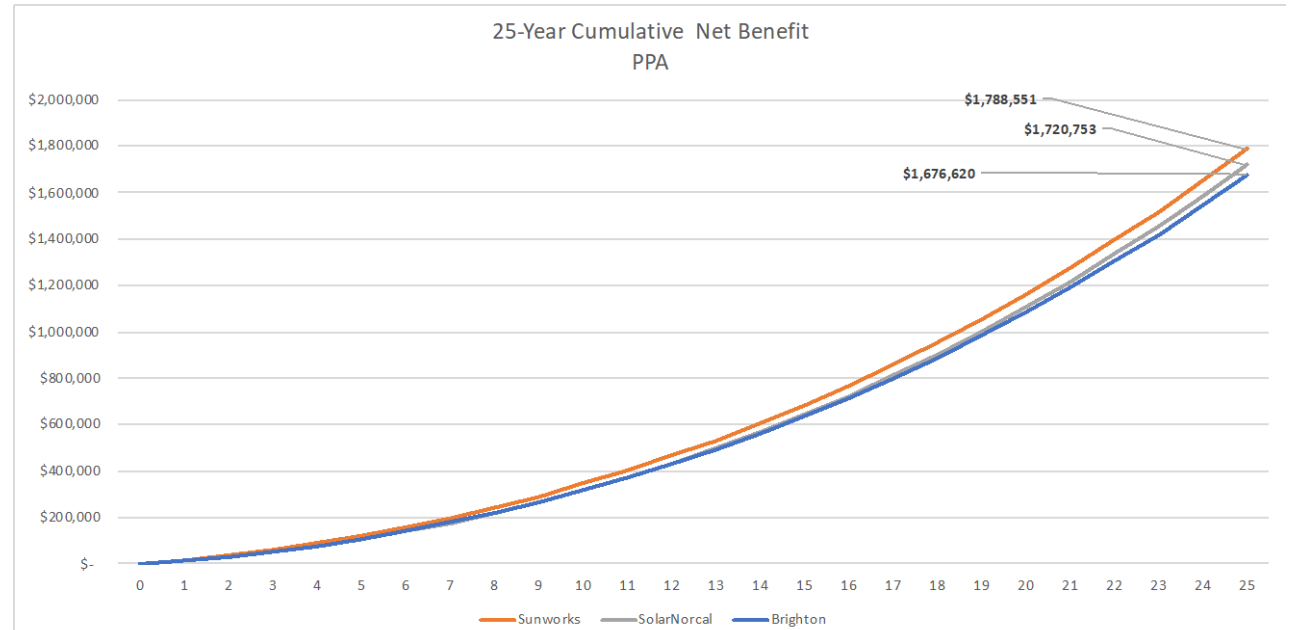
# Financial Modeling Results – PPA

- Pricing for 25-year 0% escalation rate

SunWorks	Proposed Solar Capacity (kW-DC)	PPA Rate (\$/kWh)	First Year Net Benefit	Life Cycle Net Benefit
Community Center	198	\$ 0.198	\$ 12,762	\$ 1,416,155
Fire Station 89	55	\$ 0.198	\$ 3,993	\$ 372,396
Fire Station 88	10	Did not propose	n/a	n/a
<b>TOTAL</b>	<b>263</b>		<b>\$ 16,755</b>	<b>\$ 1,788,551</b>

SolarNorcal	Proposed Solar Capacity (kW-DC)	PPA Rate (\$/kWh)	First Year Net Benefit	Life Cycle Net Benefit
Community Center	205	\$ 0.198	\$ 13,303	\$ 1,397,867
Fire Station 89	50	\$ 0.237	\$ 576	\$ 272,704
Fire Station 88	10	\$ 0.264	\$ (112)	\$ 50,182
<b>TOTAL</b>	<b>266</b>		<b>\$ 13,766</b>	<b>\$ 1,720,753</b>

Brighton Energy	Proposed Solar Capacity (kW-DC)	PPA Rate (\$/kWh)	First Year Net Benefit	Life Cycle Net Benefit
Community Center	198	\$ 0.208	\$ 10,936	\$ 1,282,378
Fire Station 89	55	\$ 0.191	\$ 4,397	\$ 374,368
Fire Station 88	9	\$ 0.189	\$ 817	\$ 62,685
<b>TOTAL</b>	<b>262</b>		<b>\$ 16,149</b>	<b>\$ 1,719,431</b>



# Cash Pricing Overview

SunWorks	Proposed Solar Capacity (kW-DC)	Upfront System Cost	5-Year O&M Costs	Life Cycle O&M Costs
Community Center	198	\$ 599,603	\$ 12,067	\$ 60,335
Fire Station 89	55	\$ 282,000	\$ 5,028	\$ 25,140
Fire Station 88	10	\$ 36,915	\$ 3,018	\$ 15,090
<b>TOTAL</b>	<b>263</b>	<b>\$ 918,518</b>	<b>\$ 20,113</b>	<b>\$ 100,565</b>
	\$/W	\$ 3.49		

SolarNorcal	Proposed Solar Capacity (kW-DC)	Upfront System Cost	5-Year O&M Costs	Life Cycle O&M Costs
Community Center	205	\$ 574,601	\$ 14,365	\$ 71,825
Fire Station 89	50	\$ 161,169	\$ 4,025	\$ 20,125
Fire Station 88	10	\$ 34,033	\$ -	\$ -
<b>TOTAL</b>	<b>266</b>	<b>\$ 769,803</b>	<b>\$ 18,390</b>	<b>\$ 91,950</b>
	\$/W	\$ 2.90		

Brighton Energy	Proposed Solar Capacity (kW-DC)	Upfront System Cost	5-Year O&M Costs	Life Cycle O&M Costs
Community Center	198	\$ 514,800	\$ 10,941	\$ 54,704
Fire Station 89	55	\$ 144,040	\$ 3,061	\$ 15,306
Fire Station 88	9	\$ 23,166	\$ 492	\$ 2,462
<b>TOTAL</b>	<b>262</b>	<b>\$ 682,006</b>	<b>\$ 14,494</b>	<b>\$ 72,471</b>
	\$/W	\$ 2.60		

- Roughly \$13M in CEC funding still available, loan max is \$3M
- Competitive program based on first come first serve basis
- Assumed 12 year payback period

# Net Benefit Comparison

- The table below shows the cumulative 25-year net benefit for the four scenarios analyzed
- All figures are presented as 25-year totals and include 25 years of O&M

First Year Net Benefit

Proposer	PPA	CEC Loan	Umpqua Lease	Early PPA Buyout W/ Umpqua Lease
SunWorks	\$ 16,755	\$ 17,704	\$ (46,128)	\$ 16,755
SolarNorcal	\$ 13,766	\$ 27,649	\$ (25,848)	\$ 13,766
Brighton Energy	\$ 16,149	\$ 31,903	\$ (15,493)	\$ 14,332

25-Year Net Benefit

Proposer	PPA	CEC Loan	Umpqua Lease	Early PPA Buyout W/ Umpqua Lease
SunWorks	\$ 1,788,551	\$ 2,799,843	\$ 2,761,065	\$ 2,304,279
SolarNorcal	\$ 1,720,753	\$ 2,832,845	\$ 2,800,346	\$ 2,295,280
Brighton Energy	\$ 1,719,431	\$ 2,785,445	\$ 2,756,652	\$ 2,194,485

## CEC 1% Loan

- Roughly \$13M in CEC funding still available, loan max is \$3M
- Competitive program based on first come first serve basis
- Assumed 12 year payback period

## Umpqua Bank Lease

- Financing rate of 2.96% for 7 years

## Hybrid Early PPA Buyout w/ Umpqua Lease

- Financing rate of 2.96% for 7 years after year 10 of PPA

- The PPA option has a lower overall cumulative net benefit but does not have the district incur debt and results in year one positive net benefit.

# Next Steps

- Finalize vendor recommendation and path forward

If board approves selection and moving forward with PPA:

- Continue to negotiate contract
- Return to Board with:
  - Negotiated contract
  - Government Code 4217 findings
  - Updated financial plan and cash flow if PPA rate changes

