

Solar Energy & Economic Development Fund

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Solar Energy & Economic Development Fund

- Funding generously provided by the California Solar Initiative Research Design and Development Program





Solar Energy & Economic Development Fund

- Focused on developing and testing an innovative business process
 - Collaborative Procurement Combined with a Revolving Fund
- Broad Goal
 - Extend the market potential of collaborative procurement by creating a revolving fund mechanism to defer upfront costs for public partners.
- Implementation Team
 - Strategic Energy Innovations
 - Optony Inc.





Why Focus on Collaborative Procurement?

- Accelerates public implementation of sustainable energy projects
 - Consolidates fragmented efforts to pursue viable options
 - Shortens the learning curve on new technologies and financing options
 - Lowers project risks with higher returns
 - Dramatically reduces transactions costs and administrative effort
 - Yields greater market interest and better pricing due to the economies of scale

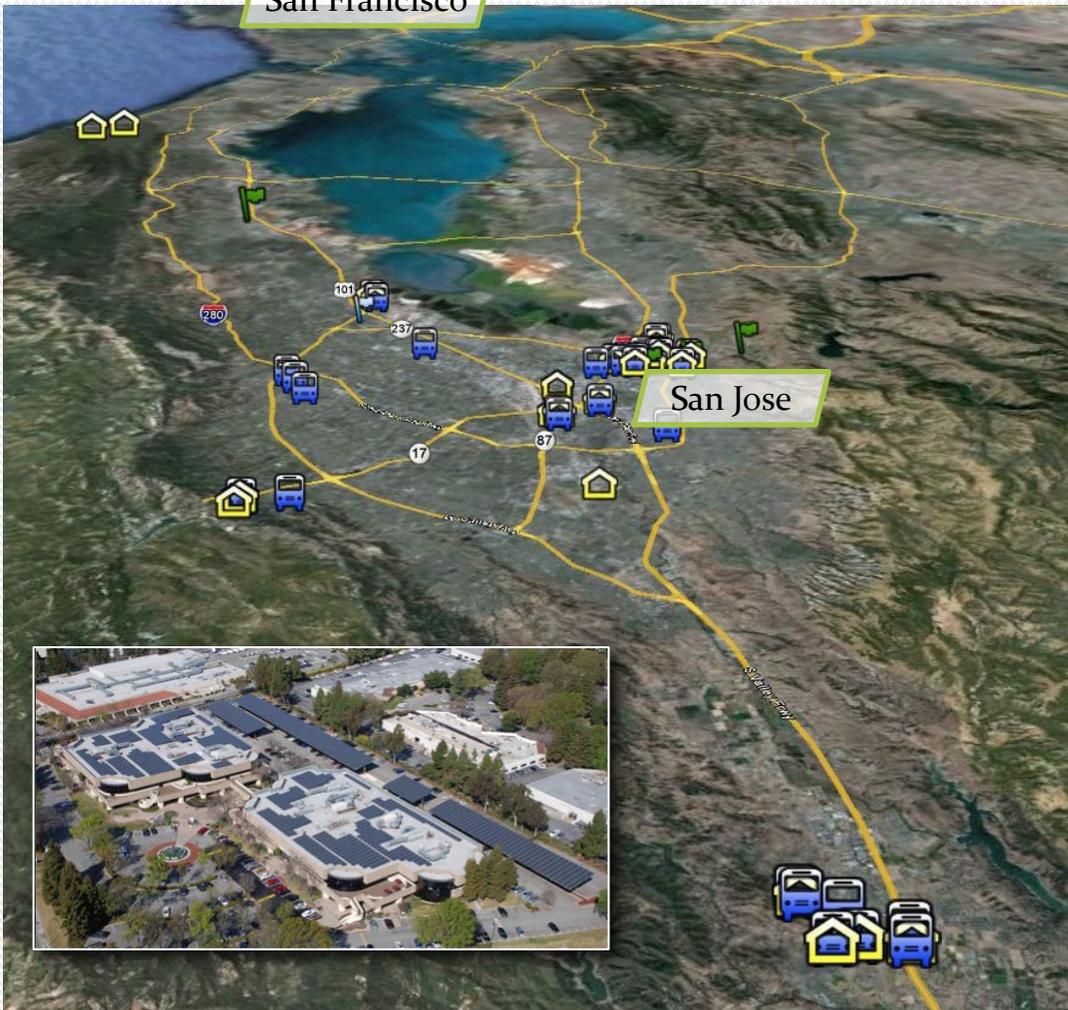




Case Study

Silicon Valley Regional Solar Project

San Francisco



San Jose

- Largest multi-agency effort to date
 - Led by County of Santa Clara
 - Collaboration across 9 jurisdictions
 - 43 sites
 - 14.4MW of combined solar PV
- Outcomes
 - Aggregated purchase discounts 12%+
 - Reduced admin and transactions costs 50%+
 - Better negotiated contract terms & conditions



What SEED Fund Does

- Collaborative procurement upfront costs still a hurdle
 - Agencies need to know potential opportunity and costs before committing resources.



- SEED Fund
 - Provides participants with project planning, site assessments & procurement support
 - Allows participants to get latest information on complex decision at no cost
 - Fund is replenished through a modest reimbursement from agencies who move forward.
 - Provides ongoing mechanism to support collaborative procurement



Goals for CSI RDD Grant

- Bring at least 5 MW of new public PV on line
- Realize 10-12% in total project cost savings
- Reduce transaction costs and administrative effort by 50-70%
- Deliver collaboration support for 1-2% of total contracted solar project costs
- Secure agreements to build collaboration costs into solar contracts.
- Attract at least \$250,000 in additional funding for long-term sustainability of the fund.



Tasks



Task	Task Name	Deliverables	Schedule
1	Project Management, Reporting, Technology Transfer, and Outreach	<ul style="list-style-type: none"> •Summary of project •Presentation from workshops •Status reports •Final project reports 	5/2012 – 03/2014
2	SEED Fund Mechanism Development	<ul style="list-style-type: none"> •SEED Fund guidance manual •Participant MOU template •Establishment of SEED Fund financial structure 	05/2012 – 08/2012
3	Collaboration Development	<ul style="list-style-type: none"> •Marketing materials •Stakeholder meeting summary documents •Project website •Signed MOUs (minimum of 4), MOU with Lead Agency •Collaborative development lessons-learned report 	05/2012 – 10/2012
4	Project Identification and Selection	<ul style="list-style-type: none"> •PV site matrix including up to 100 sites •Completed feasibility studies for up to 50 projects 	07/2012 – 11/2012
5	Solicit Proposals and Award Contracts	<ul style="list-style-type: none"> •Summary of selected financing options •Final RFP •Summary of vendor proposals, vendor awards notice •Final vendor contracts 	11/2012 – 07/2013
6	Establish SEED Fund Sustainability	<ul style="list-style-type: none"> •Summary of investor outreach •Proof of investor deposits •Press Release/White Paper detailing results of first round of procurement •High probability participant list •Report of fund financial performance 	07/2013 – 11/2013





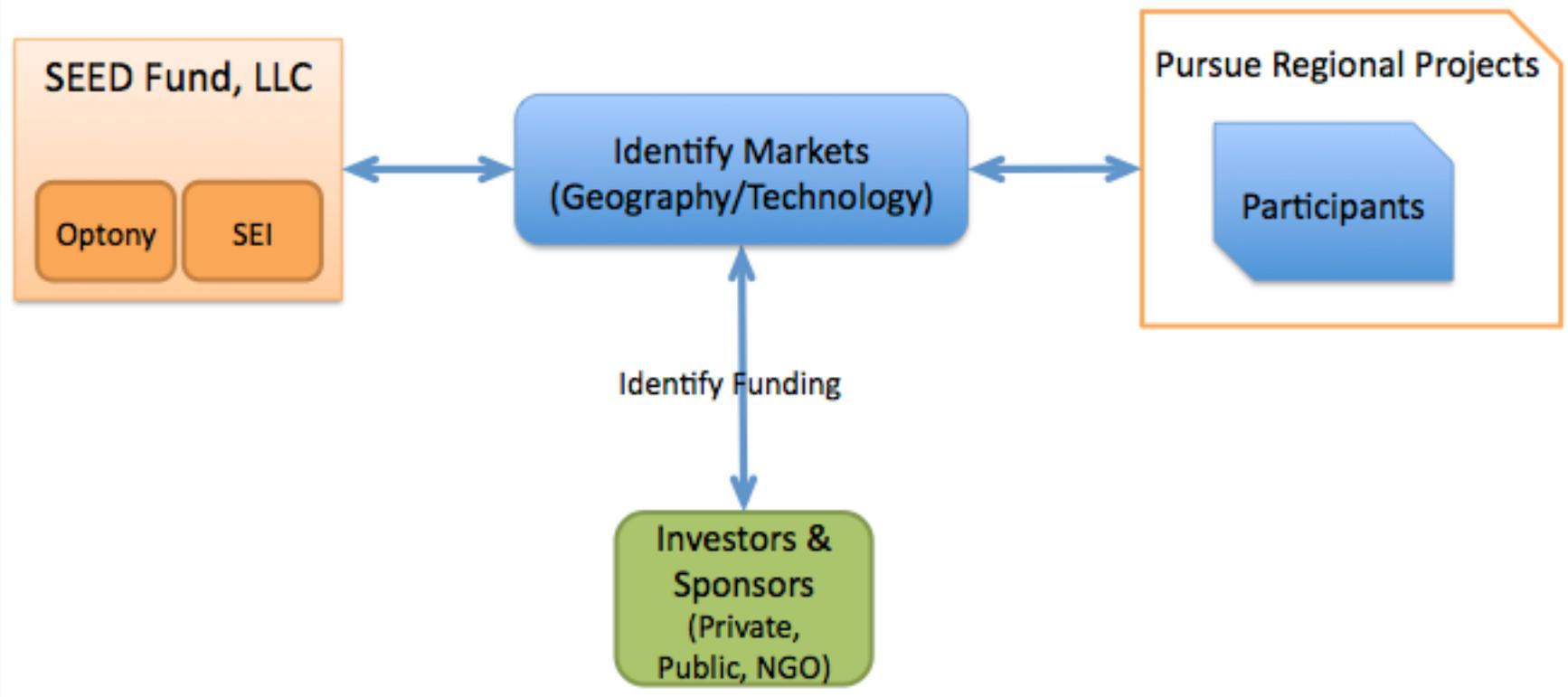
Task 2

- SEED Fund Mechanism Development
 - The purpose of Task 2 is to develop and begin operation of the SEED Fund as a standalone legal and fiscal entity that can implement the revolving fund model



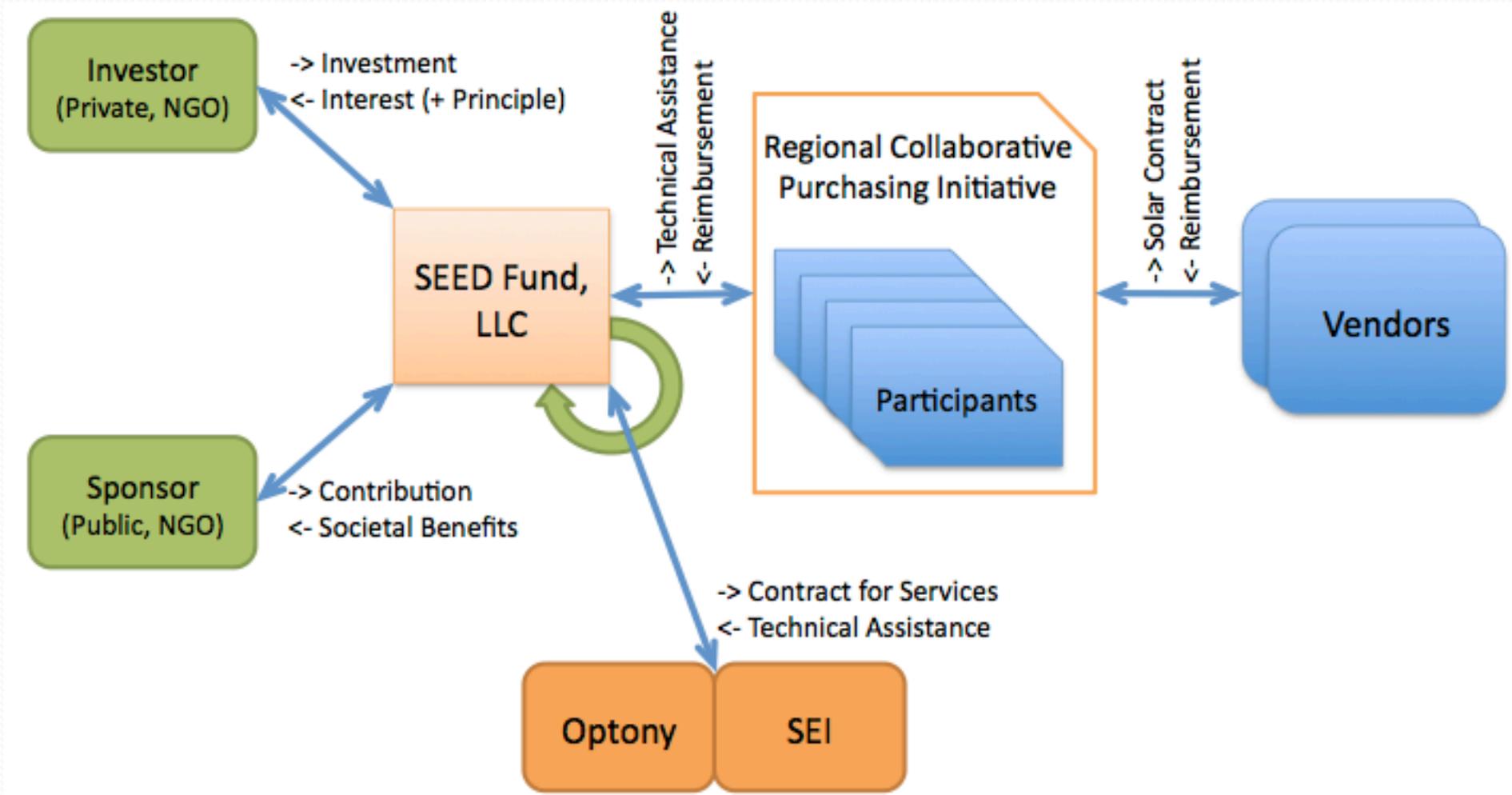


SEED Business Model





SEED Transaction Overview





Task 3

- Collaboration Development
 - The purpose of Task 3 is to provide information about the collaborative partnership and disseminate to schools and local governments in Marin, Sonoma, and Napa counties





Collaboration Development

SOLAR ROADMAP

Home SSSI Program National View Regional My Roadmap Resources News About

California

- City of Arvin, CA
- City of Atwater, CA
- City of Clovis, CA
- City of Delano, CA
- City of Fresno, CA
- City of Hanford, CA
- City of Livingston, CA
- City of Madera, CA
- City of Mendota, CA
- City of Merced, CA
- City of San Joaquin, CA
- City of Turlock, CA
- City of Visalia, CA
- Inyo County, CA
- California Center for Sustainable Energy
- Contra Costa Economic Partnership
- SolarTech

Solar Energy and Economic Development Fund (SEED Fund)

Participants: Strategic Energy Innovations and Optony, Inc. on Eventbrite

SEED FUND

Featured

Workshop 1-Sonoma: Solar Project Financing & Economics
Santa Rosa
View Map
8/9/12 10AM - 11:30AM
Attend

Info

Website: <http://www.solarroadmap.com/National/california/seed/>

Events Held: 0



SEED NEWS

Updates, announcements and information on the SEED Fund Project

July 2012

Events

Current Events Past Events

Workshop 1-Santa Rosa Economics 8/9/12
Santa Rosa | [View](#)
Target Audience: Business for Public Agencies This

Workshop 1-Marin Economics 8/9/12
San Rafael | [View](#)
Target Audience: Business for Public Agencies This

Workshop 1-Napa Economics 8/16
Napa | [View map](#)
Target Audience: Business for Public Agencies This

Participate!
We are currently performing initial site assessments with public agencies across Napa, Marin and Sonoma counties. There is no cost or commitment required to get started, we simply need some basic site information (facility address and electricity usage - [click here to see form here](#)). If you would like to be a part of this exciting program, please contact us (see below right for contact info).

Upcoming Events
The SEED Fund Program is holding a series of workshops to learn about public financing and implementation of Solar PV installations, to address key project development considerations, and to learn about the opportunity to participate in SEED Fund. Click the button below for information on all workshops.

[Workshops and Registration](#)

Program Progress

About the SEED Fund

Strategic Energy innovations - a non-profit based in Marin County - in collaboration with Optony, Inc., received a grant from California Solar Initiative to help public agencies overcome the initial hurdles to adopting solar technology. **The SEED Fund** (Solar Energy & Economic Development Fund) will help public agencies in Napa, Marin, and Sonoma counties to evaluate and participate in a regional group purchase of municipal solar PV projects. Key features of SEED Fund program include

- Does **not** require upfront allocation of funds for project planning, site assessments or procurement activities
- Agencies can opt-out at any time prior to initiating contract with vendors
- Aggregation yields greater market interest and better pricing
- Extends the market potential of collaborative procurement by creating a revolving fund mechanism to defer upfront costs for public partners





Task 4

- Project Identification and Selection
 - The purpose of Task 4 is to conduct technical and economic feasibility analyses to identify at least 10 MW of viable sites of new solar potential for deployment , so partners better understand the potential benefits and costs of pursuing group procurement of Solar PV projects.



Identification and Selection

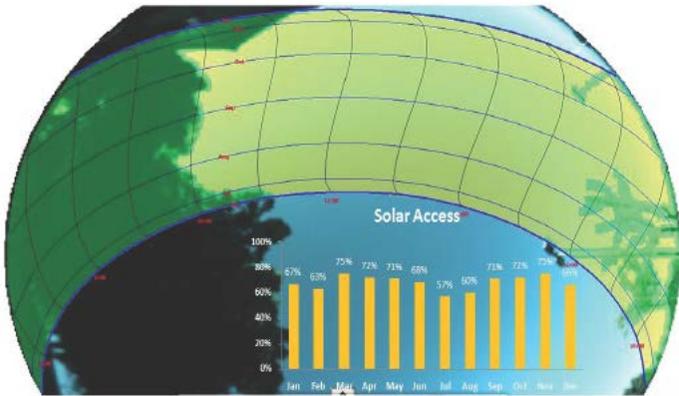


Figure 4 Section 6 Solar Access



Figure 2 City Hall Usable Areas

Table 1 Site Summary for Potential Solar Projects in the City of San Pablo

Site Index	Site Name	Max. PV System Size (kW-DC)	Rec. System Size (kW-DC)	Annual PV Output (kWh)	Annual Building Usage (kWh)	Energy Offset	Direct Purchase Cost Range	Year 1 Utility Bill Savings	25-Year Utility Bill Savings
SP01	City Hall	193.0	193.0	245,934	348,796	71%	\$965,000 - \$1,254,500	\$54,549	\$2,423,496
SP02	Police Department	126.0	126.0	162,778	284,960	57%	\$630,000 - \$819,000	\$32,042	\$1,401,533
SP03	Church Lane Senior Center	50.0	34.0	42,369	49,853	85%	\$170,000 - \$221,000	\$8,391	\$367,060
SP04	Davis Senior Center	90.0	6.0	7,982	11,781	68%	\$30,000 - \$39,000	\$1,498	\$65,118
SP05	Multi-Purpose Building	13.0	6.0	7,983	7,844	102%	\$30,000 - \$39,000	\$1,511	\$69,150
SP06	Corporation Yard	0.0	N/A						
Total		472.0	365.0	467,046	703,234	66%	\$1,825,000 - \$2,372,500	\$97,991	\$4,326,357



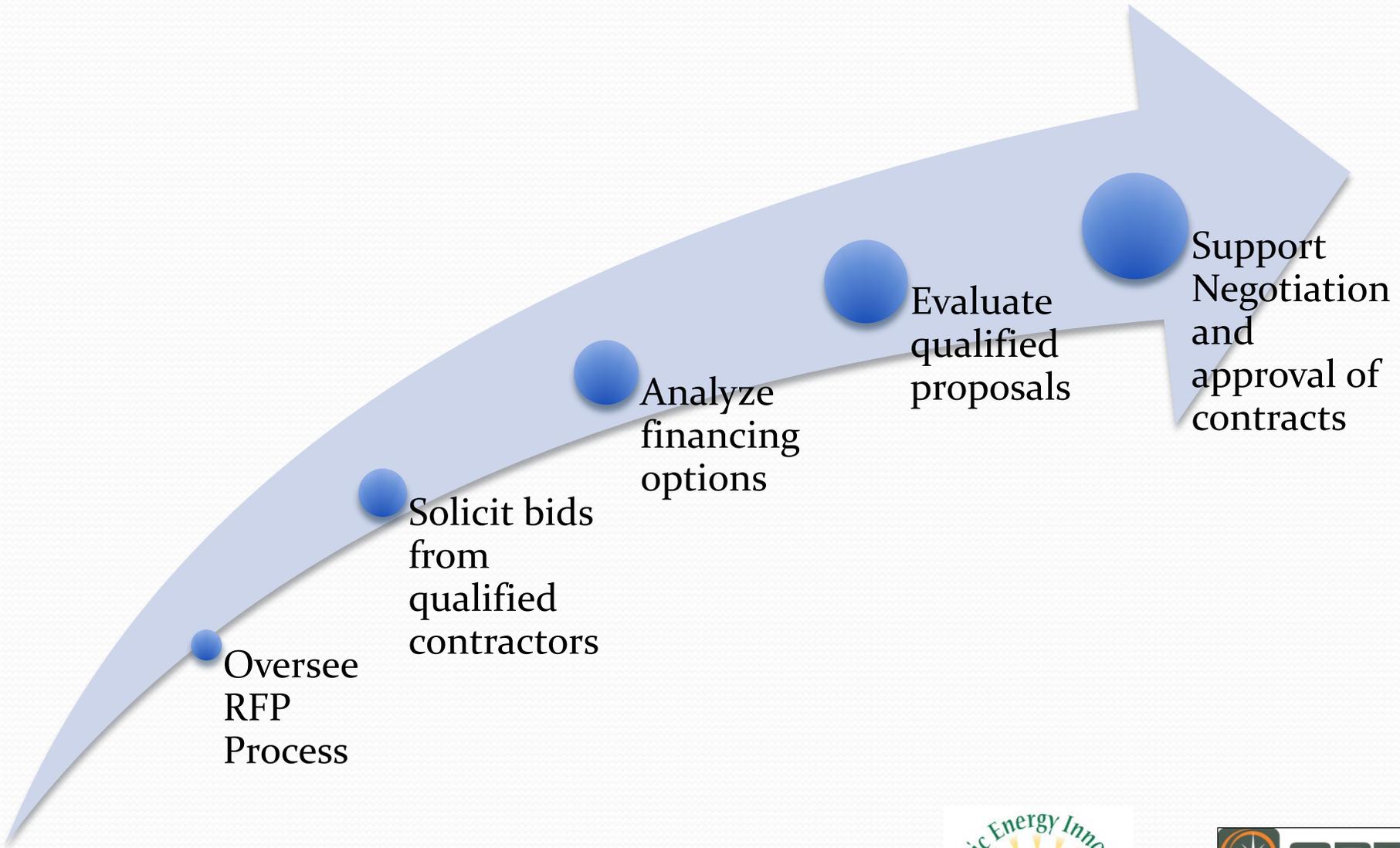
Task 5

- Solicit Proposals and Award Contracts
 - The purpose of Task 5 is to develop an RFP that can satisfy participant requirements, attract qualified contractors, and result in award of contracts that realize cost savings for participants, efficiency for vendors, and integrate SEED Fund repayment criteria into contracts with vendors.





Solicitation and Awards





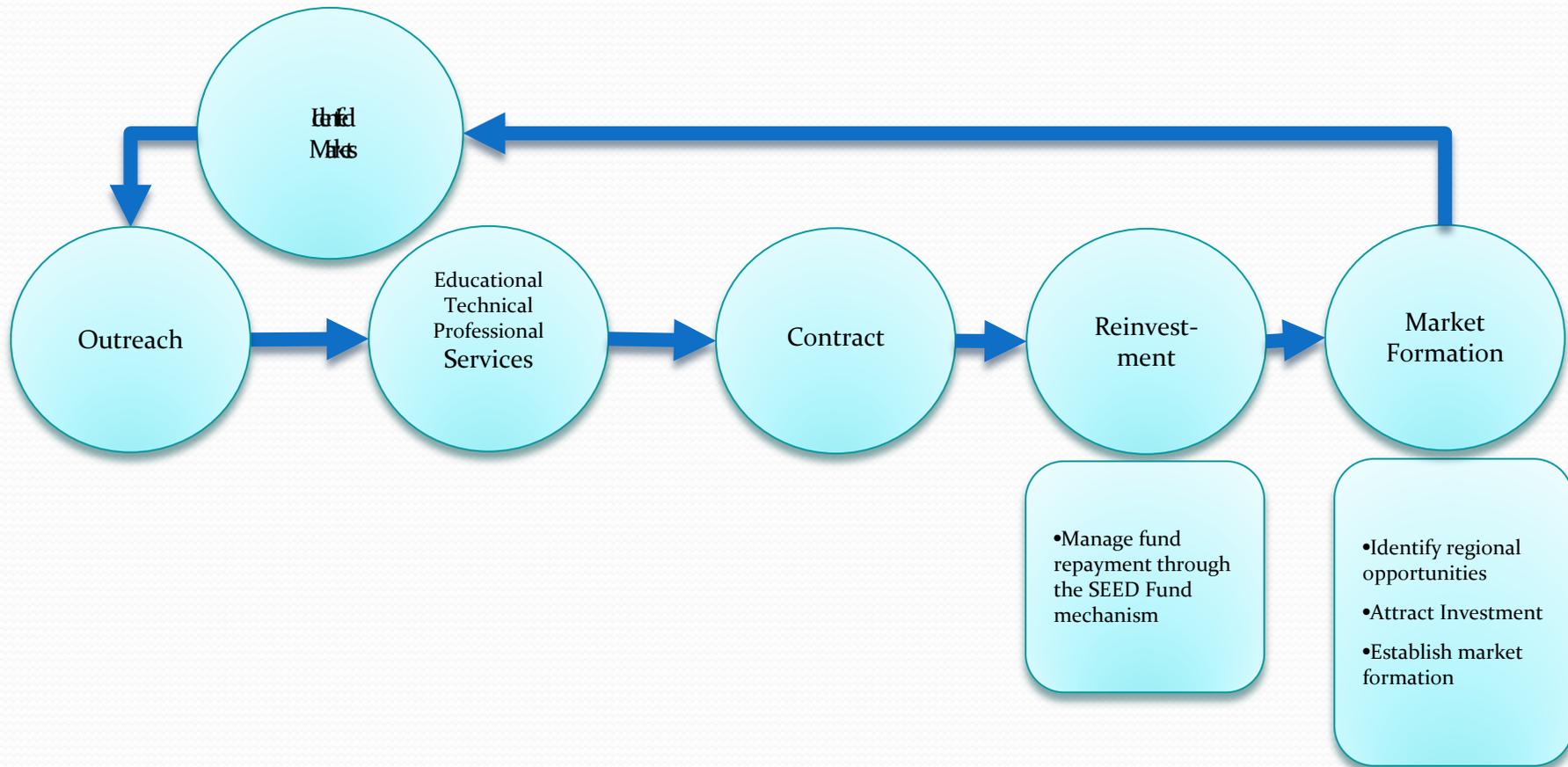
Task 6

- Establish SEED Fund Sustainability
 - The purpose of Task 6 is to ensure that the approach and outcomes from the business model are replicable and scalable, including replenishment of SEED Funds, repayment to investors, and initiation of a second round of project development





Sustainability of the Fund





Status and Timeframe

Task	Purpose	Status
2	SEED Fund Mechanism Development	<ul style="list-style-type: none"> •Organizational structure defined •MOU Template drafted •Guidance Document in progress
3	Collaboration Development	<ul style="list-style-type: none"> •Website launched (www.solarroadmap.com/seed) •Marketing materials created and distributed •In talks with potential lead agencies •6 workshops to be held in August •In direct talks with 30 interested agencies
4	Project Identification and Selection	<ul style="list-style-type: none"> •11 agencies have provided information •84 sites •11 million kWh annual consumption on these sites.
5	Solicit Proposals and Award Contracts	<i>Beginning 11/2012</i>
6	Establish SEED Fund Sustainability	<i>Beginning 07/2013</i>



Thank you!

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