

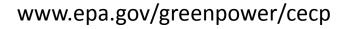


### Metropolitan Washington DC

### **Clean Energy Collaborative Procurement Initiative**

October 2011







## Metro DC Clean Energy Collaborative Procurement Initiative

### Launched by EPA's Green Power Partnership

- o Based on successful Silicon Valley collaborative model
- Public partners including Federal, Local, Higher Education
- Focused on agencies in the greater Washington DC Area



### Mission:

To develop an effective and collaborative platform for deploying clean energy (predominately solar PV) across multiple government and educational organizations for maximum impact on installed solar systems, the local economy, and regional environment.



# Metro DC Area Potential Benefits

### As of September 2011...

21 Organizations with 160+ sites and 42MW in Solar PV Capacity have joined the initiative

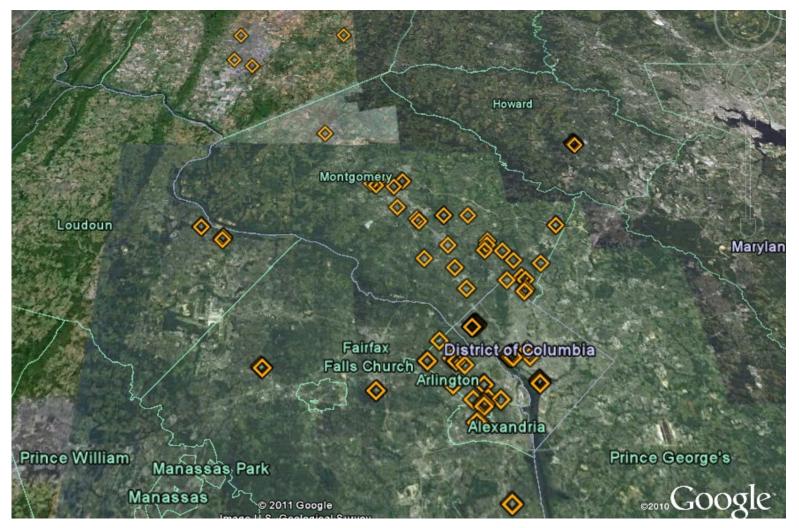
Including 6 Higher Education Institutions, 14 Public Agencies and 1 Hospital System

- This effort could increase the total installed solar capacity in MD, VA and DC combined by over 200%\*
- The economic impact could be over \$100m and 500+ local jobs
- Participants can utilize S-REC programs to drive down electricity prices
- Transaction and administrative costs could be reduced by 50% to 75% for individual participants
- Potential to capture federal tax benefits (ITC + Depreciation), depending on financing options

\* According to the OpenPV database – May 2011



### 105 Viable Sites Across VA, DC and MD (of 160+ submitted)





# Strategic Bundling Approach

- $_{\odot}$  Thorough review of individual site characteristics
  - $_{\odot}$  Look for potential sizing issues and opportunities
- $_{\odot}$  Consider site-specific and agency-level constraints
  - o Incentive structures, financing options, contracting requirements, procurement process
- $_{\odot}$  Bundling sites by installation type, host facility, size and other attributes
  - $_{\odot}$  Make bundles attractive to qualified integrators
- $_{\odot}$  Incorporate solar market input
  - Capabilities, economies of scale
  - $_{\odot}$  Avoid deal-breakers found in many other projects
- $_{\odot}$  Consider total size (MW) and number of sites per bundle
  - $_{\odot}$  Some bundles can be too small or too large
  - $_{\odot}$  Evaluate other non-PV options



# **Demonstrated Collaboration Benefits**

- o Achieve Strategic Sustainability Plans faster by working together
- Aggregation yields greater market interest and better pricing (10% 15%)
- Working together yields lower project risks with higher returns
- Dramatically reduce transactions costs and administrative effort (50% 75%)
- Demonstrate leadership nationally, regionally and locally
- Very few mandatory Federal/Local programs reduce long-term costs, but...
  - Renewable energy can generate savings, when managed properly
- Strategic planning demands a comprehensive approach, but...
  - Need to shorten the long learning curve on new technologies



# Case Study: Silicon Valley Regional Solar Project Overview



#### Includes 70 sites

- Collaboration across 9 jurisdictions
- 14.4MW of combined solar PV

Multiple Site Types:

- Carports
- Rooftops
- Ground mounted

**Regional Impact** 

- County of Santa Clara
- 6 Cities
- 2 Special Districts

LESSONS: Aggregated effort yields volume discounts, lower administrative and transactions costs, along with better qualified vendors and projects.



# Next Steps

- Perform detailed feasibility assessments for pre-screened sites (40% complete)
- Determine financing and contracting requirements by agency
- Engage with stakeholders to review documents and build support for the initiative
- Define strategic bundling and procurement approach for solar projects
- Prepare and issue RFQ/RFP for participating agencies

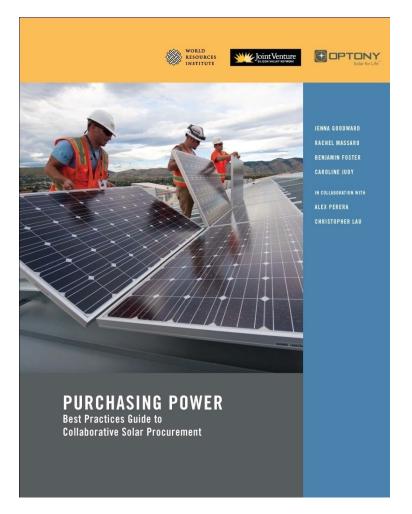
#### EPA website with program resources:

www.epa.gov/greenpower/cecp





### **Best Practices Guide**



Available for download at: http://www.wri.org/publication/purchasing-power



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#### **ABOUT EPA's GREEN POWER PARTNERSHIP**

The Green Power Partnership is a voluntary program that supports the organizational procurement of green power by offering expert advice, technical support, tools and resources. Partnering with EPA can help your organization lower the transaction costs of buying green power, reduce its carbon footprint, and communicate its leadership to key stakeholders. www.epa.gov/greenpower

#### **Credible Benchmarks**

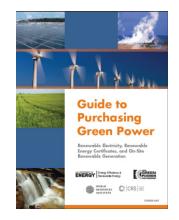
Metric for "How much green power is enough?" Definition of eligible renewables

#### **Planning & Implementation Resources**

- Green power locator
- Purchasing guidance
- Marketing and communications support
- Environmental benefits calculator

#### Recognition

- Top Partner Lists
- Green Power Leadership Awards
- Promotional opportunities
- Use of the Partner logo







#### ABOUT OPTONY INC.

Optony develops and deploys solar best practices across the entire solar project lifecycle for government agencies, schools and commercial organizations.

Working with clients across all phases of solar projects creates deep insight into true performance drivers which is used to reduce costs and improve performance at any stage in the process.

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"Optony's consulting service is a must-have for any organization considering an investment in solar. Based on Optony's comprehensive analysis and recommendations, we now have a low-risk, high-return solar strategy."



