



Potential Solar
Electric
Procurement
Project

Board of Trustees Budget Committee Meeting

February 2, 2017

AGENDA

- The Goal
- The Team
- Why are We Doing This?
- Costing & Savings
- How are We Going to Pay for This?
- What are Clean Energy Renewable Bonds (CREBs)?
- Possible Roadblocks
- The Layout
- Next Steps

The Goal

- Solar facilities at District Office and SBVC

The Team

- Community College League of California (CCLC)
 - Clyde Murley (assistance with RFP and design of the solar facilities)
- MuniBond Solar
 - Steve Nielsen (assistance with financing of the solar facilities)
- SBCCD
 - Hussain Agah

Why are We Doing This?

- Reduce global warming emission.
- Improve public health, safety and environmental quality.
- Use solar as a reliable and resilient energy system.
- Achieve SBCCD strategic goal for sustainability.
- Save a lot of money.
- Provide energy, security and independence.
- Implement part of districtwide comprehensive master plan.

Costs & Savings

(Assuming SCE rates currently available remain available)

Upfront Solar Systems Cost	Overall System Size (kilowatts)	Year One General Fund Savings	Projected 25-Year General Fund Savings	Projected 25-Year <u>Net</u> Savings
~\$10 million	180 kW + 2500 kW	\$500,000	\$17 million	\$7 million

- Solar system cost includes SBCCD's "soft" costs
- All scenarios include 25 years of O&M services and a 25-year Performance Guarantee
- Savings amounts are in nominal dollars

How are We Going to Pay for This?

- Prop 39 - Clean Energy Jobs Act of 2012 CCC.
 - Remaining balance of Years 1, 2 and 3, and years 4 & 5
 - Approximately \$1.2 million combined
 - Spend by June 30, 2018
- Clean Renewable Energy Bonds (CREBs)
 - Recommend a “*Super-Sized*” application, seeking \$12 million

What are Clean Energy Renewable Bonds (CREBs)?

- SBCCD can secure an allocation of CREBs to finance 100 % of Solar Project (no out-of-pocket costs)
- CREBs provide a federal subsidy, resulting in an estimated net interest cost of about 1.10 %*
- CREBs are available for local governments who are “owners” of qualifying renewable energy projects
- CREBs are awarded through a competitive, “first-come-first-served” application process administered by the IRS
- Once CREBs are awarded, district has 180 days to “use or lose”

Possible Roadblocks

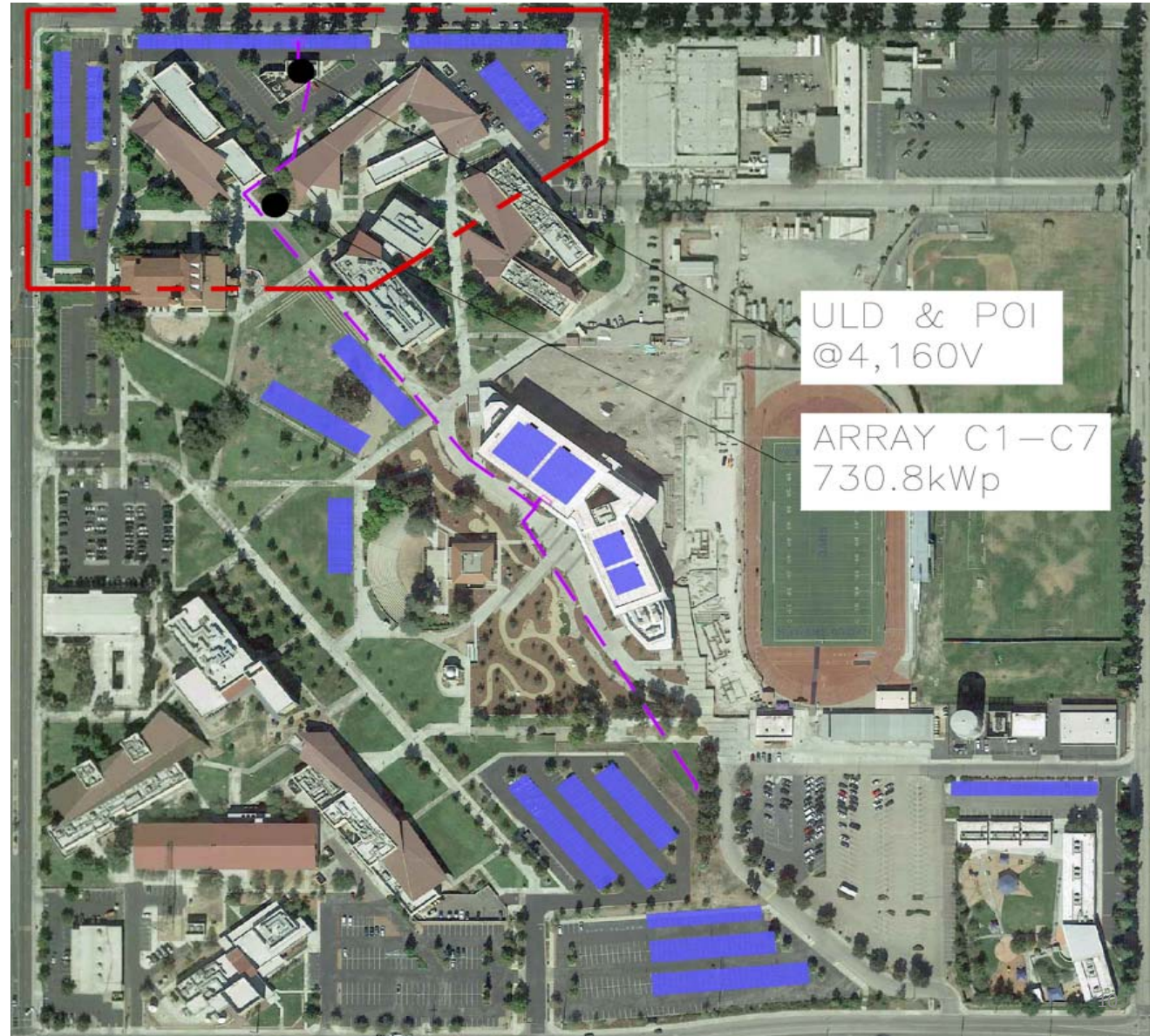
- It's too early to confidently estimate the savings from building solar systems at the two District sites, because:
 - Haven't yet determined how much solar can be built at SBVC and the savings scale with the size of the system.
 - SCE will be changing its rate structure by the time the systems are built and it hasn't yet indicated what the new rates will look like.
 - There is a particular solar tariff option ("Option R") that may or may not still be available by the time the systems are built. The loss of Option R would significantly reduce the value of the solar systems' output.
- We will be seeking clarity about this in the coming months.

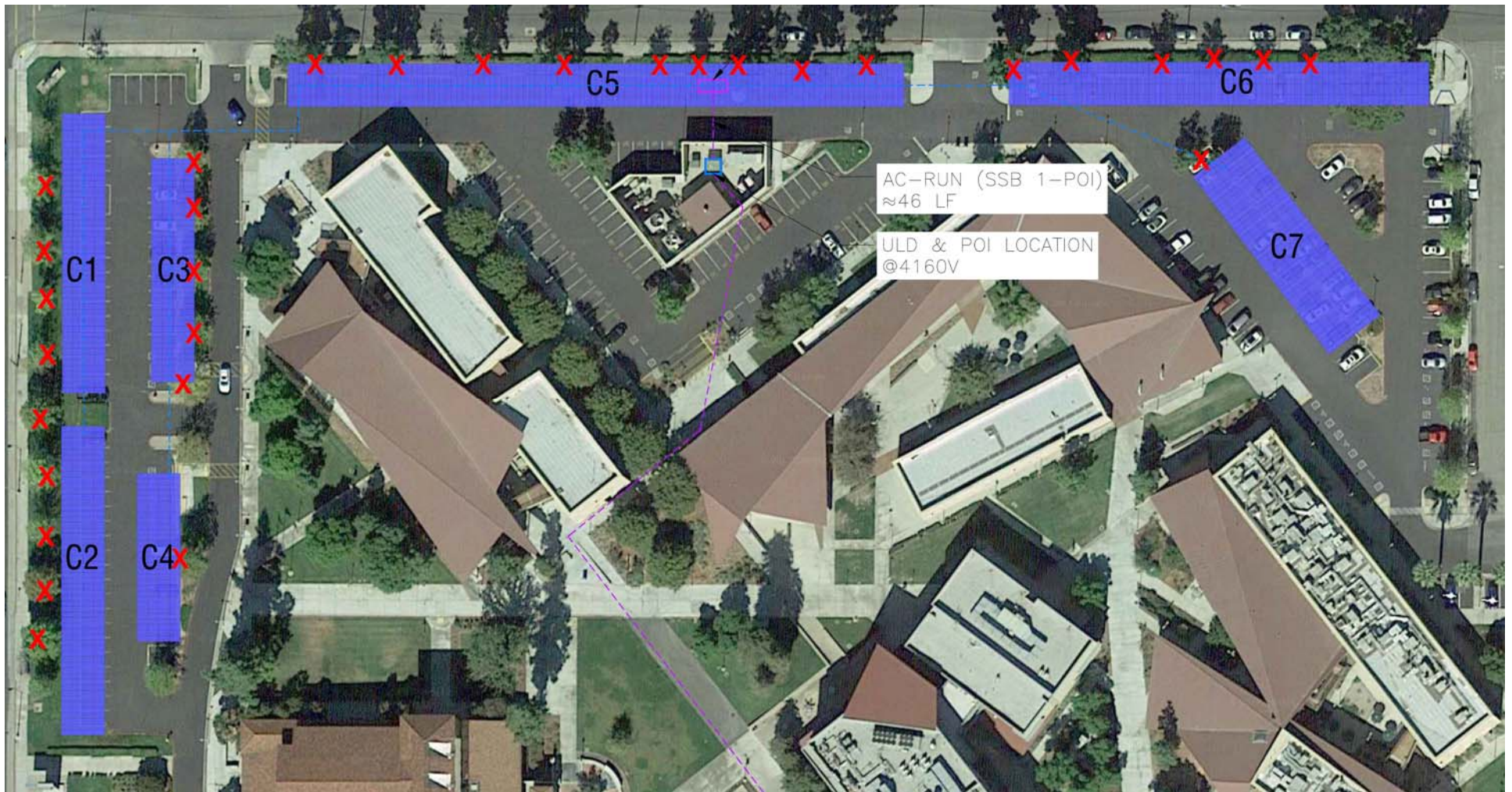
The Layout



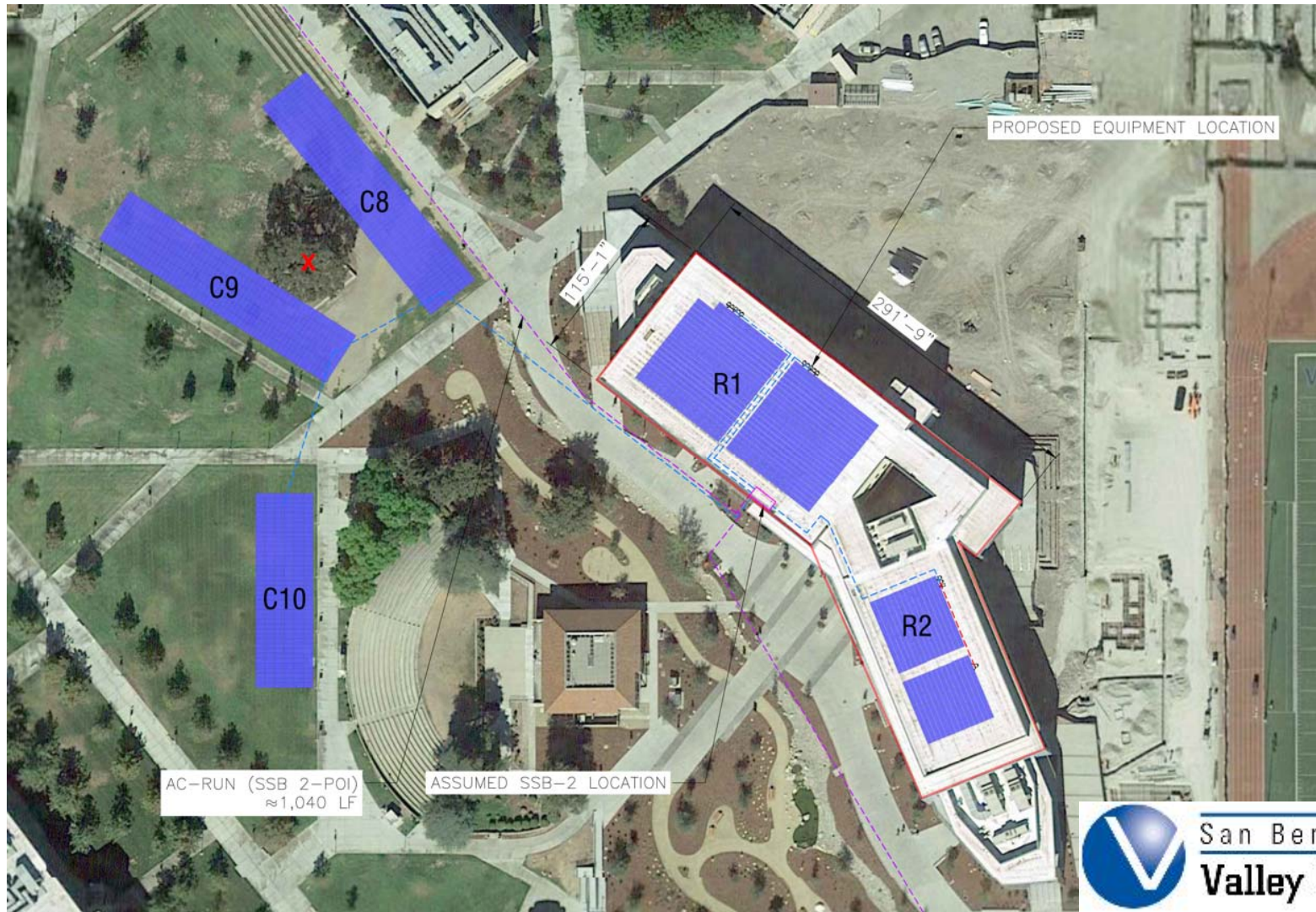


Illustrative
Valley
College
Solar
Layout: 2.5
MW

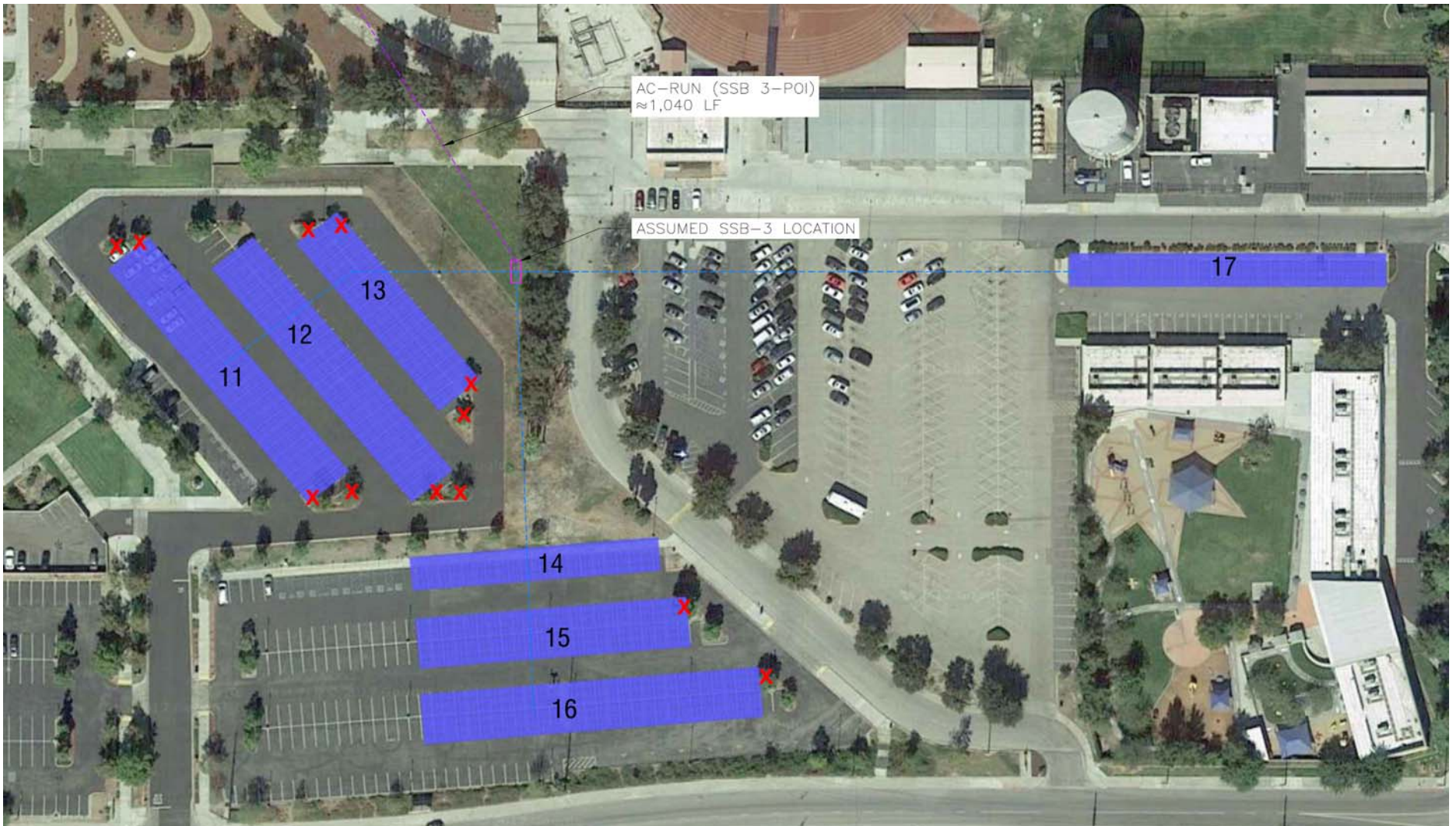




North Campus Solar Carport at



Central Campus Solar Rooftop and Shade Structure



South Campus Solar Carports at



District Office Solar Carports: 180 kW



Solar Carport Rendering



Solar Carport Rendering

Next Steps

- Front planning and campus coordination
- Complete the RFP for solar facilities
- Create a Board Resolution for the CREBs (March Board Meeting)
- Complete CREB application
- Complete RFP for CREB Investor
- Negotiate solar agreement (Board approval required)
- Negotiate financing (Board approval required)
- “4217” Public Hearing (Board finding that Project is Self-Funding)

San Bernardino Community College District Potential Solar Electric Procurement Project

Thank you