







#### **Johnson County Solar Arrays**



#### Welcome!

Johnson County is proud to be the first county in Iowa to have entered into Power Purchase Agreements for solar er arrays. The dashboard links below show you current and past energy generated. Visit anytime!

ARRAYS AT THE SECONDARY ROADS AND SEATS CAMPUS: 4810 Melrose Avenue in Iowa City, operational: October 20

Together, these two solar arrays should generate about 23% of the annual electricity needed at the campus and sa taxpayers nearly \$152,000 over the next 25 years. In addition, the renewable energy will annually avoid 86.5 tons greenhouse gases, which is like taking 16.5 passenger vehicles off the road each year.

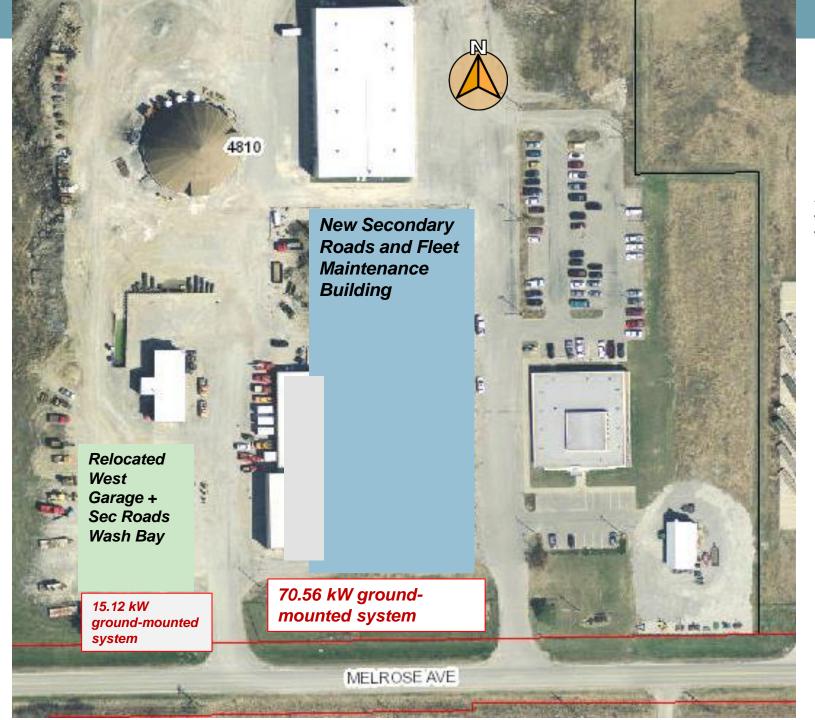
Secondary Roads Wash Bay and West Garage

Secondary Roads and Fleet Maintenance Facility









Building and solar array footprints are approximate.



# 1. Energy Efficiency

Avoid oversizing solar photovoltaic (PV) system—save money

Audits (usually free) Projects – insulation, LED, etc. **Utility incentives or** rebates (timing is important)



# 1. Energy Efficiency: Commercial New Construction Secondary Roads New Facility



## 2. Feasibility: People

**Consultant (option)** 

#### **Internal Team**

- Leaders
- Staff
  - Physical plant
  - Sustainability (Planning)
  - Finance/accounting
  - Legal
- Solar basic training



#### Location

- Local building codes
- Shading
- Potential development/change in area
- Security
- Hazards (e.g. flood zones)
- Existing electrical (amp) service
- If existing structure roof, load and lift



# **Current and Future Energy Use**

- Annual kWh and demand
- Rates, riders, fees, etc.
- Rate options and trends
- Solar will likely cover only part of need
  - still buy some energy from utility
  - no storage capability (yet)



### **Timing**

- Tax credits will be fairly stable for several more years
- Our Sec Rds project took about a year PPA negotiation Interconnection
- Electrical infrastructure



EXAMPLE (not our actual project)	kWh (annual)	Percent
Total need	400,000	100%
Provided by solar panels	100,000	25%
Provided by utility	300,000	75%



# 3. Request for Proposal (RFP)

#### **RFP Document**

- Not a bid
- Design and install
- Short
- Electrical data + building documents online/
- Mandatory on-site visit

#### **Process**

- RFP public hearings
- PPA public hearings (it's a lease)

#### **Administer RFP**

- 30 days to respond
- Created FAQ as vendors asked questions



# 4. Proposal Assessment: Criteria

#### "Apples to Apples"

Cover sheet

#### **Technical**

- kW / kWh delivered (verify)
- Cost
- Components
- Warranty

#### Labor/Service

- Experience
- Customer Service
- Warranty

#### **Buy Local Policy**



EXAMPLE OF A COVER SHEET that we would ask each vendor to fill out along with their proposals in response to the RFP

#### SERVICE + LOCATION COVER SHEET FOR JOHNSON COUNTY ADMIN OPEN SPACE (SOUTH FIELD)

COMPANY NAME: DATE:

SERVICE: Figure the specific building's amps and volts accordingly into your calculations.

Administration (Admin) Building 1600 AMP Service at 240 volts	kW (DC)	kW (AC)	Annual Production kWh	Amperage Per Leg	Cost: Outright	10-year PPA starting cost per kWh	Buyout cost at end of 10-year PPA)	Total Cost of the 10- year PPA (include the buyout cost at end of PPA)
25%						7.11.	4.000	
10%	į.		30					
Other %	z.							



Below, please note any assumptions and briefly describe

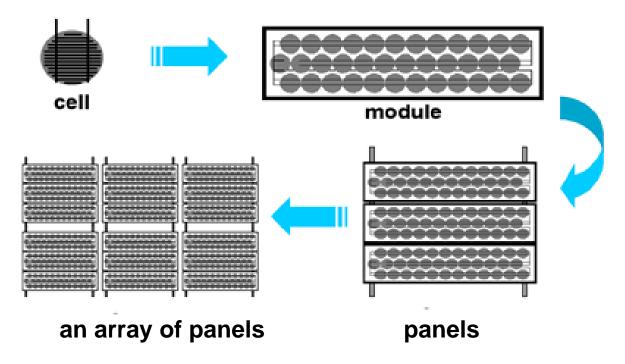


Figure 1. Photovoltaic cells, modules, panels and arrays.

Based on image at Florida Energy Center http://www.fsec.ucf.edu/en/consumer/solar\_electricity/basics/index.htm

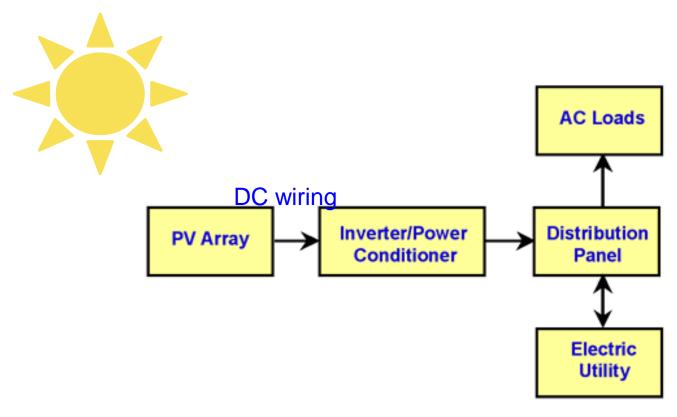


Figure 1. Diagram of grid-connected photovoltaic system.

Adapted from Florida Energy Center http://www.fsec.ucf.edu/en/consumer/solar\_electricity/basics/types\_of\_pv.htm

### 4. Proposal Assessment

NOTE: This summary was used when we were still planning on a single roof-mounted array. After we selected the vendor, due to net-metering issues, we had to downside to two smaller ground-mounted arrays. However, this helps show proposal assessment.

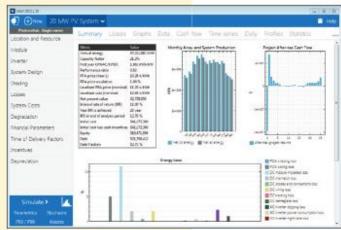
ELEMENT	COMPANY X	COMPANYY	MOXIE SOLAR
System size	123.7 kW	140.25 kW	140.25 kW
System cost (outright; labor +equipment)	\$321,776	\$375,870	\$370,322
Vendor estimated annual kWh production	158,100	164,720	175,704
Iowa Energy Center 84%	168,517	190,970	180,838
Company Location	Other County	Other County	North Liberty, Johnson County
Company Experience	X years in solar; X years in electricity	X years in solar	2+ years

# Online calculators for array sizing

PVWatts uses a trial and error process to narrow the rating of the array to match your desired annual energy output. Care must be exercised in choosing realistic system loss factors as defined by the integral derate factor subcalculator. PVWatts also offers a simplified financial calculator providing the benefit of the solar array based on an assumed fixed value of energy.

pvwatts.nrel.gov





SAM is a downloadable calculator application, which is used as a stand-alone tool. The SAM calculator offers greater flexibility and level of input detail and includes a substantial financial modelling aspect.

sam.nrel.gov

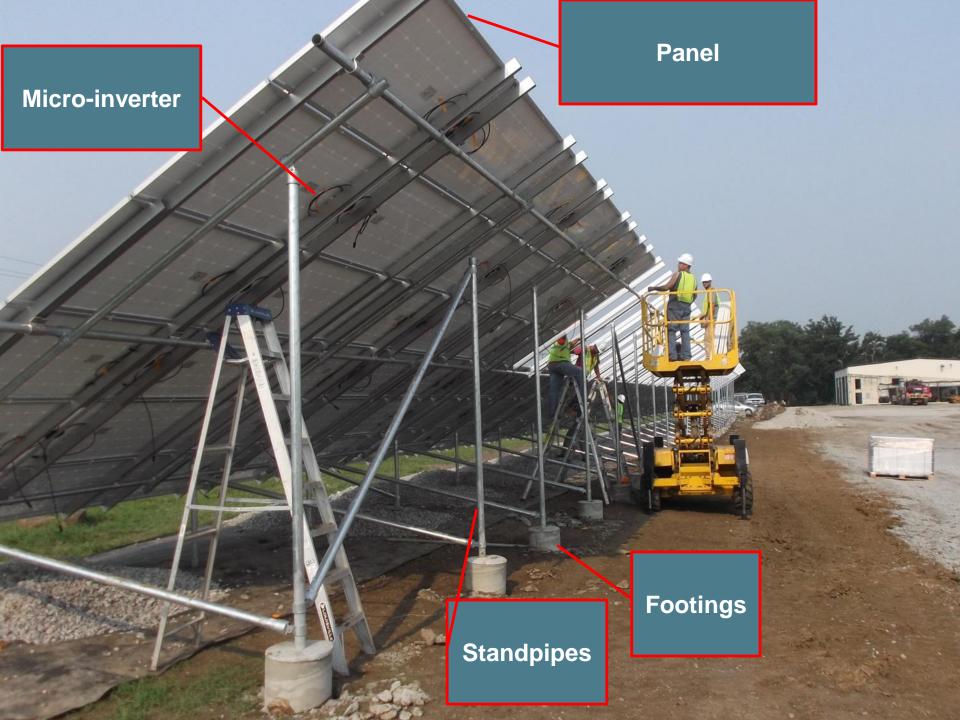


The **lowa Energy Center's Solar Calculator** provides the solar resource potential for any location in lowa but does not have a provision for incorporating the system losses. System losses must be applied externally from the calculator. The calculator does not contain a financial modelling component.

Source: Solar PV Energy Guide, Iowa Energy Center 2016

# 4. Proposal Assessment - Inverters

	COMPANY X SINGLE (CENTRAL) INVERTER	COMPANY X ELEVEN (11) STRING INVERTERS	COMPANY Y SIX (6) STRING INVERTERS	MOXIE SOLAR 510 MICRO - INVERTERS
1. Location	Suggests outside. Mezzanine or floor? (weighs 2,000 lbs)	Above office area or on roof	Mezzanine is likely location (TBD)	Roof
2. Efficiency	96.5%		98%	96.5%
3. Fail impact	If it stops working, all modules stop working. 100% fail	If one stops working, one- eleventh of the modules stop working. 9% fail.	If one stops working, one-sixth of the modules stop working. 17% fail	If one stops working, only one of the 510 modules stops working. 0.2% fail
4. Repair	Complex – need expert	Complex – need expert	Complex – need expert	Relatively easy fix but must go on roof
5. Pros	Single point of maintenance	Seems to be the standard for commercial uses.	Seems to be the standard for commercial uses.	If one breaks down or its module underperforms, 509 still work well
6. Cons	Fail impact is 100%; cannot see function of each module	A higher fail impact than with micros	A higher fail impact than with micros	Roof location is hot and not easily accessible; newer technology
7.Manufact.	Single: Solectrica in business since 2005;	SolarEdge	SMA has been in business 30 yrs	Enphase specializes in micro-inverters. 4th generation product.



# **System Details**

ELEMENT	Make/Model	Warranty	70.56 kW System	15.12 kW System
Solar modules (array)	Solar World Sun Modules (up to 280 watts each)	25-year performance; 10-year product	252	54
Inverter Type/Number	Enphase Micro M-250	25-year	252	54
Racking for Ground- Mount	SnapNrack	10-year	One	One
Monitoring System for Both	Enphase Enlighten			

#### What Is It?

- A contract between a taxable company that installs and operates a solar PV (or other energy) system on a purchaser's premises, and that purchaser buys the power.
- NREL PPA Checklist



#### Renewables Tax Credits

- Federal: 30% of cost (through 2019)
- State: 18% of cost at the time; now 15% (up to \$20,000 commercial)

#### **Problem**

Governments cannot receive credits directly



#### Solution

- Vendor providing solar PV system claims tax credits
- Vendor passes savings on to local government
- Government pays solar vendor during PPA (e.g., 11 cents/kWh)
- Vendor responsible for performance during PPA





PPA typically beats outright purchase for local governments

10-year better than20-year

#### Example values

Outright	20-year + buyout	10-year + buyout
\$220,000	\$190,000	\$150,000



### 5. Power Purchase Agreement – 10yr

Initial comparison based on a single system on roof

ELEMENT	Company X	Company Y	MOXIE SOLAR
System size	123.7 kW	140.25 kW	140.25 kW
Vendor estimated annual kWh production (.5% annual productivity decline assumed)	150,495	164,720	175,704
Iowa Energy Center 84%	168,517	190,970	180,838
Subtotal of estimated payments over 10 yrs	\$118,579	\$216,983	\$191,795
	(2.5% annual escalation)	(3.5% annual escalation)	(3% annual escalation)
Buyout after 10 yrs	\$128,000	\$15,000 - \$20,000	<i>Up to</i> \$10,000
System total cost to County first 10 yrs w/buyout	\$246,579	\$236,983 – \$241,983	\$191,796 – \$201,796
Overall Savings after 25 yrs	\$161,816	210,015	~250,000-\$275,010

### 5. PPA with Moxie Solar

#### PPA = 10 years

Most parts warranted for 25 years (racking = 10 years)

#### **During 10-year PPA**

 We pay more for all electricity combined (solar + utility) than if purchasing only from utility for 10 years

#### **After PPA ends**

 We pay nothing more for another 15 years of solargenerated electricity, aside from basic maintenance/repair

ROI reached in year 13-14 normally



### Actual PPA Cost: \$127,628

There will also be a buyout of up to \$10,000 at the end of the PPA.

#### 70.56 kW + 15.12 kW Systems

SYSTEMS COMBINED = 85.68 kW

	Projected Production	Rate +2.5% Inflation/yr.	Projected Annual Payment
Year 1	113775	0.1025	11,661.94
Year 2	113207	0.1051	11,898.06
Year 3	112640	0.1077	12,131.33
Year 4	112077	0.1104	12,373.30
Year 5	111516	0.1131	12,612.46
Year 6	110959	0.116	12,871.24
Year 7	110404	0.1189	13,127.04
Year 8	109852	0.1218	13,379.97
Year 9	109303	0.1249	13,651.94
Year 10	108756	0.128	13,920.77
TOTAL			\$127,628.05

### 5. PPA with Moxie Solar

Example payments during and after 10-year PPA (relative to entire campus annual use of 504,749 kWh)

	Our annual solar cost	Our annual utility cost*	TOTAL PAID for the year*	If only using utility, we would pay*	Difference compared to utility only
Year 1	\$11,662 (includes maintenance/repair)	\$31,121	\$42,783	\$40,178	-\$2,605
Year 11	\$0 (plus any maintenance/repair)	\$40,405	\$40,405	\$51,431	\$11,026

<sup>\*</sup>Includes 2.5% annual inflation on utility costs and annual solar cost during PPA. However, we will use 3% in future projects.



#### COST/ SAVINGS DETAIL 86 kW combined

	For Comparison	Estimated Annual			With Solar: Estimated
	No Solar:	Output (kWh) with	Solar PPA Annual COST	With Solar:	Difference to
	Estimated Utility	.5% annual	(Values from previous	Estimated	Johnson
YEAR	Bill	productivity decline	sheet)	Utility Bill	County
1	\$40,178.00	113,775	\$11,661.94	\$31,121.51	-\$2,605.45
2	\$41,182.45	113,206	\$11,893.72	\$31,945.96	-\$2,657.23
3	\$42,212.01	112,640	\$12,130.11	\$32,791.95	-\$2,710.04
4	\$43,267.31	112,077	\$12,371.19	\$33,660.02	-\$2,763.91
5	\$44,348.99	111,517	\$12,617.07	\$34,550.76	-\$2,818.84
6		110,959	\$12,867.83	\$35,464.75	-\$2,874.86
7	\$46,594.16	110,404	\$13,123.58	\$36,402.58	-\$2,932.00
8	\$47,759.02	109,852	\$13,384.41	\$37,364.88	-\$2,990.27
9	\$48,952.99	109,303	\$13,650.43	\$38,352.27	-\$3,049.71
10	\$50,176.82	108,756	\$13,921.73	i i	-\$3,110.32
11	\$51,431.24	108,213	\$0.00	\$40,404.95	•
12			\$0.00		
13			\$0.00		•
14	\$55,385.82	106,597	\$0.00	\$43,688.93	\$11,696.88
15			\$0.00	· · · · · · · · · · · · · · · · · · ·	
16			\$0.00		
17		105,006	\$0.00		· · · · · ·
18			\$0.00	• •	
19			\$0.00		
20		103,439	\$0.00	• •	•
21	* *		\$0.00		
22			\$0.00		•
23			\$0.00		
24			\$0.00		
25			\$0.00	\$58,146.98	
		TOTAL	\$127,622.01		\$161,997.48
		buyout max after 10 y			-\$10,000.00
	\$1,372,390.64	totals w/buyout	\$137,622.01	\$1,082,771.15	\$151,997.48
		Solar+buyout+utility	\$1,220,393.16		

### 5. Effect of PPA with Moxie Solar

NO SOLAR	ESTIMATED MIDAMER 25 YRS OF ELECTRIC COSTS	\$1,372,390
SOLAR / PPA	10-YEAR MOXIE SOLAR PPA \$127,622 + BUYOUT UP TO \$10,000** + ESTIMATED 25 YRS OF ELECTRIC COSTS PAID TO MID AMER (\$1,082,771)	\$1,220,393
SAVINGS WITH SOLAR / PPA		\$151,997



### 5. PPA Process

# Before signing PPA with preferred company, ensure you receive from company and review

- Detailed equipment list
- Schematics and drawings
- Interconnection data
- PPA draft and details
- Details on ground covers/fencing (if needed/included)
- Statements on
  - Maintenance and security during PPA
  - Amount of electricity to be generated
  - Responsibility for codes, laws, etc.
  - Monitoring portal



### **An Important Digression! Net Metering**

#### Net metering

- Ability to send excess energy generated back to the grid and receive a kWh credit on utility account and/or a \$ credit value.
- Affects system size and ROI



### **Net Metering and PPAs**

#### Your Specific Utility

- Each utility has its own interpretation of the lowa Utilities Board ruling for solar arrays and net metering tariffs
- Essentially, some pay more, some pay less for excess energy generated



# **Net Metering and PPAs**

#### Net-metering Rule

 Per MidAmerican Energy, for an entity to be eligible for net metering at a retail or net billing (NB) tariff: "Generating capacity and associated energy is intended to serve only the electric requirements of the owner of the Facility."

#### **Utility View**

• Because we have a PPA, MidAmerican Energy does not consider us to be the *owner*.

#### Rock-and-Hard Place

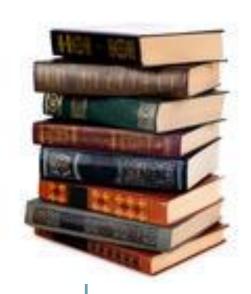
 But without the PPA, we wouldn't have been able to get the tax credits...



### **Net Metering and Rates**

#### Rates (Tariffs)

- Retail rate would be about 7 cents per kWh
- Instead wholesale (QF)
   1 to 2 cents per kWh





### **Net Metering: Downsize**

Since utility doesn't allow us to send energy back to the grid...

	Original 10-year PPA	Actual 10-year PPA
Project	1 array Serve one building with excess to grid	2 arrays Serving different buildings. Nothing sent to grid.
Size	140 kW	86 kW
Туре	Roof-mount	<b>Ground-mount</b>
Solar Electricity Generated/ Year	175,704 kWh	113,775 kWh
Solar Electricity relative to total need 504,749	34.8%	22.5%
Cost (includes \$10,000 buyout after 10 years)	\$197,475	\$137,628
Savings after 25 years	\$249,788	\$151,997

### **Net Metering: Downsize**

Since utility doesn't allow us to send energy back to the grid...

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### Net Metering – Action Taken

In spring 2015, Iowa Utilities Board (IUB) solicited comments on regulatory framework for distributed generation.

Johnson County Board of Supervisors asked IUB to ensure that PPAs are eligible for net metering at retail rates.

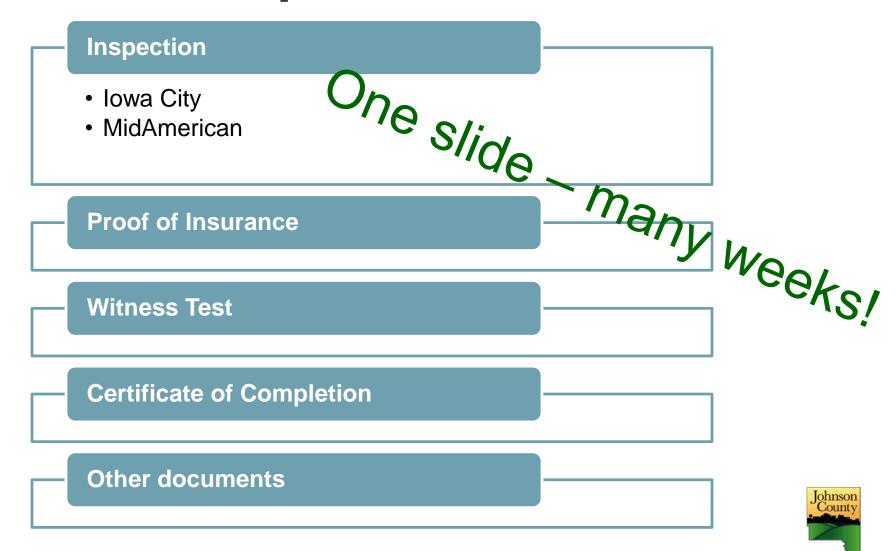
- IUB solicitation
- Johnson County submission
- Docket NOI-2014-0001

Additional information

http://energydistrict.org/resources/distributed-generation/



### 6. Other Steps After Installation







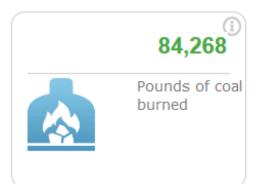
# **Expected Results of Solar Array**

Offset 86.5 tons annually Greenhouse Gases of...



Offset CO<sub>2</sub> emissions of...

Equal carbon sequestered by...







## Secondary Roads Solar PV Arrays

# **B**ENCHMARKING

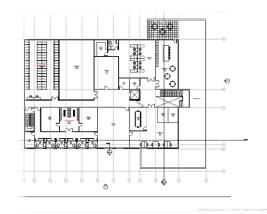
				Consum		
			Consumption =	ption	Dollar	
Meter Name	Start Date	End Date	Generation	Units	Amount	\$ Per Unit
15 kW Solar West Garage and Sec Rds Wash Bay	8/6/2015	8/31/2015	1,873.00	kWh	\$191.91	\$0.1025
15 kW Solar West Garage and Sec Rds Wash Bay	8/31/2015	9/30/2015	2,295.36	kWh	\$235.27	\$0.1025
15 kW Solar West Garage and Sec Rds Wash Bay	9/30/2015	10/31/2015	1,790.20	kWh	\$183.50	\$0.1025
15 kW Solar West Garage and Sec Rds Wash Bay	10/31/2015	11/30/2015	1,363.44	kWh	\$139.75	\$0.1025
15 kW Solar West Garage and Sec Rds Wash Bay	11/30/2015	12/31/2015	780.00	kWh	\$79.98	\$0.1025
15 kW Solar West Garage and Sec Rds Wash Bay	12/31/2015	1/31/2016	1,412.54	kWh	\$144.79	\$0.1025
15 kW Solar West Garage and Sec Rds Wash Bay	1/31/2016	2/29/2016	1,385.01	kWh	\$141.96	\$0.1025
SUBTOTALS 15k kW		7	10,899.55		\$1,117.16	
70.56 kW Solar PV Sec Rds and Fleet Maintenance	10/20/2015	10/31/2015	2,239.00	kWh	\$229.50	\$0.1025
70.56 kW Solar PV Sec Rds and Fleet Maintenance	10/31/2015	11/30/2015	5,844.99	kWh	\$599.11	\$0.1025
70.56 kW Solar PV Sec Rds and Fleet Maintenance	11/30/2015	12/31/2015	3,616.94	kWh	\$370.74	\$0.1025
70.56 kW Solar PV Sec Rds and Fleet Maintenance	12/31/2015	1/31/2016	6,615.10	kWh	\$678.05	\$0.1025
70.56 kW Solar PV Sec Rds and Fleet Maintenance	1/31/2016	2/29/2016	6,452.50	kWh	\$661.38	\$0.1025
SUBTOTALS 71 kW		5	24,768.53		\$2,538.78	
TOTALS			35,668.08		\$3,655.94	0.1025

### **Next Solar PV Projects**

Administration Building and/or Health and Human Services Building



New Ambulance Services and Medical Examiner Building





#### Resources

#### **OVERALL GUIDANCE**

Iowa Energy Center

Solar PV Energy Guide



#### **TAX CREDITS**

Iowa Department of Revenue Solar Energy System Tax Credits

#### REQUEST FOR PROPOSAL

The Solar Foundation

Steps to a Successful Solar Request for Proposal

#### **POWER PURCHASE AGREEMENTS**

National Renewable Energy Laboratory

Power Purchase Agreement Checklist for State and Local Government

U.S. Department of Energy Power Purchase Agreements

#### **PROCESS**

<u>PPAs plus Mistakes to Avoid</u>(based on California school districts but helpful overview of issues)

Iowa Utilities Board: <u>Informational Guide for On-Site Generation</u> (residential and small business use)



# **Resource** Before signing PPA with preferred vendor, ensure that you receive and review:

- Complete, detailed list of equipment including brands, models, quantities, efficiency ratings, warranties and tilt of panels
- Length, width and height data for array
- Schematics and other drawings or images
- Interconnection data
- PPA draft and details (cost, buyout fees / terms, early termination)
- How vendor will maintain array during PPA including safety, security and protection from vandalism; maintenance protocol (who you call, etc.)
- If applicable, any proposed ground covers or fencing
- Statements
  - that array will generate expected amount of electricity (e.g., not more than the building demands if you do NOT plan to net meter)
  - that vendor is responsible for all federal, state, local and utility codes, laws and regs + permits
  - That vendor ensures coordination on public-facing monitoring website and compatibility of entire monitoring system with infrastructure and website.



#### **Contacts**



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