EnergyTrust of Oregon, Inc.

Board Decision
Amending Resolution #453 Approving Funds for a Solar Project with MMA Renewables

June 13, 2008

Summary

Authorize staff to change the name of the funding recipient for a multi-site solar photovoltaic (PV) project, previously authorized by the board with ProLogis.

Background

- Last October, the board approved up to $3,405,000 in funding for at least a 3.5 megawatt PV project on multiple buildings owned by ProLogis, a large owner of warehouses. At that time, the board considered the following:
    - ProLogis has previously installed several large, rooftop PV systems in Europe.
    - The proposed solar systems would provide power directly to PGE under standard contract terms and rates for qualifying facilities (QF) under 10 MW, and would not be net-metered.
    - The project is of particular interest because it tests the question whether the QF model is viable for larger, urban projects.
    - PGE supports the project, seeing it as both an opportunity to help customers employ more green power and an effective source of peak power.
    - The RAC and Policy Committee reviewed and supported the project.
    - Energy Trust funding of an estimated $0.97/watt would be in the range of the standard incentives of $0.80 – $1.50/watt offered for net-metered commercial projects under the Energy Trust's Solar Program for PGE customers. The solar program has yet to see a project completed at the lower range of these standard offers.

Discussion

- ProLogis has determined that instead of building and owning the PV facilities, it wishes to use the third-party development model and lease its roof space to MMA Renewable Ventures.
- MMA Renewable Ventures will develop and own the project and sell the project power to PGE. ProLogis will be involved solely as owner of the roof space occupied by the PV facilities.
- ProLogis and MMA have determined that 3.5 MW of capacity can be installed in 2008 at today's costs. More capacity is not feasible at this time.
- Because the existing board authorization designates ProLogis as the funding recipient, we need an amended resolution to provide funding instead to MMA Renewable Ventures.
- In all other respects, the project would be unchanged.

Recommendation

Approve resolution #480, amending resolution #453 authorizing funds for the ProLogis project, to allow funding for MMA Renewable Ventures on the same terms.

RESOLUTION #480
AMENDING RESOLUTION #453
APPROVING FUNDS FOR A SOLAR PROJECT WITH MMA RENEWABLES

WHEREAS:

a. **On October 3, 2007, the board approved Resolution #453 authorizing up to $3,405,000 in funding for at least a 3.5 megawatt PV project on multiple buildings owned by ProLogis**.

b. **ProLogis has determined that instead of building and owning the PV facilities, it wishes to use the third-party development model and lease its roof space to MMA Renewable Ventures.**

c. **MMA Renewables proposes to install a total of 3.5 - 4.7 MW of solar photovoltaic (PV) generation on as many as 17 ProLogis buildings in the Portland General Electric (PGE) service territory.**

d. **The above-market costs of the project are estimated to be $3,405,000 or less.**

e. **Even at the low end, the project would be the Energy Trust's largest single PV venture, exceeding the Solar Electric Program's total installed capacity during the last four years.**

f. **Energy Trust funding of an estimated $0.97/watt would be in the range of the standard incentive the Solar Program offers.**

g. **Over the first 20 years of operation, the clean power produced by the project will help avoid over 42,700 tons of CO_2 emissions.**

It is therefore RESOLVED that the board of directors of Energy Trust of Oregon, Inc. amends Resolution #453 approving an agreement with MMA Renewables consistent with the following basic terms:

1. **MMA Renewables will deliver a project of at least 3.5 MW.**
2. **When bids are finalized and accepted by MMA Renewables, staff will re-calculate above-market costs.**
3. **Energy Trust will provide a maximum of $3,405,000.**
4. **Green tags will be delivered to PGE and held in trust by PGE for the benefit of ratepayers for compliance with Renewable Energy Act obligations.**

Moved by: Seconded by:

Vote: In favor: Abstained:

Opposed: [list name(s) and, if requested, reason for "no" vote]