Bevans Point Solar

Stone House Solar

Oregon Solar Capacity Standard

- HB 3039 (2009) – required 20 MW_{AC} solar capacity installed by 2020.
  - Pacific Power required to add 8.7 MW_{AC}
- HB 3691 (2010) – allowed Energy Trust to provide incentive funding for SCS projects
  - ET funds Outback and Baldock projects (PGE)
  - ET funds Black Cap project (Pacific Power)

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Pacific Power 2013S RFP

- Seek up to 6.7 MW_{AC}
- Qualifying systems 500 kW – 5.0 MW_{AC}
- Two projects selected to negotiate PPAs
- Pacific Power proposed these two projects for funding under Energy Trust's incentive program requesting $1.97 million.

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Energy Trust Funding Availability

- ET Pacific Power 2013 Budget did not anticipate large solar projects.
- Pacific Power's 2013 standard program budget was reduced to respond to spend down of unallocated fund.
- After two rounds of competitive funding announcements for non-solar projects $700,000 of funding remained unallocated.

EnergyTrust of Oregon

Energy Trust Project Review

- Energy Trust reviewed both projects for eligibility.
- Established above market cost
  - Reviewed costs/revenues
  - Established a market value for the energy
- Above market cost well above available budget ($700,000).

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Funding Proposal

- Propose to reduce the rate impact of projects on ratepayers.
- Incentives will be paid to projects, reducing the rates negotiated in the PPA with Pacific Power.
- $700,000 incentive is allocated between each project based on AC capacity.

Benefits of Energy Trust Incentive

- Supports Goal 2 of Energy Trust's 2010-2014 Strategic Plan: to accelerate the rate at which renewable energy resources are acquired, helping to achieve Oregon's 2025 goal of meeting at least eight percent of retail electrical load from small-scale renewable energy projects.

- Reduces the rate impact of projects on ratepayers of Pacific Power.

- Supports the state's goal of utility investment in large scale solar resources in Oregon.

- Follows funding priorities established between PUC and Energy Trust.

EnergyTrust of Oregon

Bevans Point Solar

EnergyTrust of Oregon

Project Summary

- Size: 2 MW_{DC} 1.65 MW_{AC}
- Developer: OneEnergy Renewables
- Project cost: $4.643 MM
- Annual expected production: 3800 MWh
- Location: Malin, OR
- Commercial Operation: 12/31/2014
- Proposed incentive: $180,000

EnergyTrust of Oregon

Project Team

- Developer:
  - OneEnergy Renewables
- Financing/Owner/Operator:
  - Smart Energy Capital
  - NextEra Energy Resources
- Construction
  - EPC
- O&M Services
  - Outside contractors

Interconnection

- Pacific Power's Turkey Hill substation adjacent to site.
- Connect at distribution voltage
- System Impact Study in process
- Interconnection agreement executed Q4 2013

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Technology/Energy Production

- Technology
  - Polycrystalline silicon solar panels
  - Single-axis tracking system

- Energy Production
  - Net energy production - 3817 MWh
  - Annual energy degradation – 0.6%
  - Capacity factor – 26%

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Siting and Permitting

- Long term site control through solar lease
  - 20 acres
  - 26 year initial operating term
  - 10 year extension available
- Permitting
  - Condition Use Permit
  - Historic Preservation
  - Oregon Fish and Wildlife

EnergyTrust of Oregon

Financial Summary

- Revenues

Energy Sales	$3,098,162
Consolidated Tax Benefits	$1,630,744
Total NPV Revenues	**$4,728,906**

- Expenses

Capitalized Construction Cost	$4,643,100
O&M Cost	$1,176,848
Total NPV Expenses	**$5,819,948**

Above Market Cost (Total Revenue - Total Project Cost)	($1,091,042)
Above Market Cost Increased for Tax Impacts	**($1,769,906)**

EnergyTrust of Oregon

Proposed Incentive

Evaluation Criteria

- **Project Term:** 25 Years at 8% IRR
- **Above Market Cost (NPV):** $1,769,906

Incentive Options

- **Requested Incentive:** $500,000
- **Proposed Incentive:** $180,000
- **REC Allocation:** 100% for 25 years

EnergyTrust of Oregon

Stone House Solar

Oct. 23, 2013

EnergyTrust of Oregon

Project Summary

- Size: 5.88 MW_{DC} 5.0 MW_{AC}
- Developer: Element Power
- Project cost: $16.31 MM
- Annual expected production: 11,400 MWh
- Location: Christmas Valley, OR
- Commercial Operation: 4/30/2014
- Proposed incentive: $520,000

EnergyTrust of Oregon

Technology

- Technology
  - Polycrystalline silicon solar panels
  - Single-axis tracking system

- Energy Production
  - Net energy production - 11,360 MWh
  - Annual energy degradation – 0.5%/yr
  - Capacity factor – 26%

Project Team

- Developer:
  - Element Power
- Financing/Owner/Operator:
  - Element Power US, LLC
  - Tax Equity Investor (passive)
- Construction
  - EPC
- O&M Services
  - Outside contractors

Interconnection

- Midstate Electric Cooperative
  - Interconnection agreement complete
- Power wheeled to BPA
  - BAASA
  - Construction Agreement
  - Transmission Services Agreement
- Negotiated PPA with Pacific Power

Siting and Permitting

- Long term site control
  - 160 acres
  - Purchase option agreement

- Permitting
  - Completed CUP
  - Biological studies complete
  - No wetlands
  - Project avoids archaeological resources

EnergyTrust of Oregon

Financial Summary

- Revenues

Energy Sales	$ 9,353,456
Consolidated Tax Benefits	$11,704,869
Total NPV Revenues	**$**21,058,325

- Expenses

Capitalized Construction Cost	$16,111,238
O&M Cost	$ 6,568,778
Total NPV Expenses	**$22,680,016**

Above Market Cost (Total Revenue - Total Project Expense)	($1,621,691)
Above Market Cost Increased for Tax Impacts	**($2,630,737)**

EnergyTrust of Oregon

Proposed Incentive

Evaluation Criteria

- **Project Term:** 25 Years at 8% IRR
- **Above Market Cost (NPV):** $ 2,630,737

Incentive Options

- **Requested Incentive:** $1,470,000
- **Suggested Incentive:** $520,000
- **REC Allocation:** 100% for 25 years

EnergyTrust of Oregon