



Miami Valley Regional Planning Commission

## **Solar Energy**

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"Saving You Money While Saving Our Environment"

# Why Solar?

- Stable & Predictable Source of Electricity
- Positive PR for Local Government
- Reduced Electricity Costs
  - Start Saving Immediately
- Control the quality of the power
- Clean for the environment



## Understanding Your Electric Bill: Rate Structure

Rate Structures are used to calculate the cost a customer pays to receive energy at the rate they demand. Basic Components:

- Supplier Charge
- Distribution and Transmission Charge
  - Customer Charge
  - Demand Charge (\$/kW)
  - Energy Charge (\$/kWh)
  - Power Factor Charge (\$/kVAR)



Major Electric Distribution Companies in Ohio



# Rate Structure Example

	Avoide	ed Cost Rate			
Er Electricity Providers (\$/		rgy Rate Demand Rat		nand Rate	
		Wh Saved)	(\$/kW Saved)		
DP&L (Distributor)		0.0125	\$5.90		
IGS (Supplier)		0.0354	\$0.00		
Total Rate		0.0479	ę	\$5.90	
	Current	t Rate Block Struc	ture		
	Rate Number: 737		Updated on: 10.6.2017		
	Rate Block	DP&L (Distributor)	IGS (Supplier)	Total Rate	
Service Charge (\$/mo)		\$16.00	381.97	\$397.97	
Energy (\$/kWh)	0 - 750 kWh	\$0.0343	\$0.0354	\$0.0697	
	751 - 1,500 kWh	\$0.0343	\$0.0354	\$0.0697	
	1,501 - 2,000 kWh	\$0.0126	\$0.0354	\$0.0480	
	2,001 - 15,000 kWh	\$0.0122	\$0.0354	\$0.0476	
	15,001 - 125,000 kWh	\$0.0116	\$0.0354	\$0.0470	
	125,001 - 833,000 kWh	\$0.0111	\$0.0354	\$0.0465	
	833,000+ kWh	\$0.0109	\$0.0354	\$0.0463	
Demand	0-5 kW	\$0.00	\$0.00	\$0.00	
(\$/kW)	5+ kW	\$5.90	\$0.00	\$5.90	

# Rate Structure Example

Utilty Distributor	Rate	\$/kWh		\$/kW	
DP&L	737	\$	0.048	\$	5.90
Duke	DS01	\$	0.043	\$	12.43
AEP	850	\$	0.061	\$	11.64
First Energy	TE-GSD	\$	0.074	\$	12.02

\*rates may vary if there is the customer has a different supplier

\*kVaR is not included as it is a factor of kWh and power factor

Please note the rate number may differ for each building.

#### **DP&L** Rate

Rate 117,127	Secondary Single Phase			
Rate 137,157	Secondary Three-Phase			
	Secondary Three-Phase,			
Rate /3/	3rd party supplier			
Rate 168	High Voltage			
Rate 187	Primary			
Rate 188,198	Primary Substation			

ENERGY OPTIMIZERS, USA



### How Can Solar Make Sense Financially?

#### **Power Purchase Agreement**

- Energy Optimizers, USA:
  - Design and Construct the Solar Array on School Property
    - ✓ 3<sup>rd</sup> Party Finances Project Installation
    - ✓ EOU Team Owns, Operates, Maintains & Warranties the system
- School District:
  - Purchase the electricity produced by the solar array
    - $\checkmark\,$  Set rate with, and sometimes without, escalator
      - Lower than current electric rate from utility company
      - o Immediate savings
    - ✓ Option to purchase after 7 years (tax incentives exhausted)
    - $\checkmark$  Rent space for \$1 per year
    - ✓ Own the array after 20-25 years



# Case Study – Kettering Middle School

- Power Purchase Agreement
- 150 kW Array
- Installed 2016
- 25 Year Warranty on Modules
- 80% rated output at 25 years
- Annual Savings = \$3785.00
- September 2017
- 16,496.7 kWh production





## Efficiency First – Why Efficiency First?

- Before proceeding with any solar project, the facilities should be evaluated and address any potential Energy Conservation Measure upgrades or retrofits specifically focusing on the "low hanging fruit."
- The solar system will be designed for a particular energy usage profile and facility load which will impact the overall solar design.
- This will lead to an oversized solar farm that will be net metered.

# **Financing Options**

#### HB295(HB300)

- Funding mechanism that allows counties to implement facility upgrades and pay for the project
- Does not count against overall indebtedness
- RFQ/RFP Process
- Does not require passing a levy or bond issue for the loan
- HB295 extends the financing time for HB300 to a maximum of 30 years

#### HB420

- Funding mechanism that allows local governments to implement facility upgrades and pay for the project
- Does not count against overall indebtedness
- RFP Process
- Allows financing terms from 5-30 years

Energy Savings Services
 Agreement

**ESSA** 

- Funding mechanism that utilizes

   a service agreement to
   implement facility upgrades and
   pay for the project.
- Finance project 1-10 years





#### **GOVERNMENT BUILDINGS** CASE STUDY

#### **Greene County Libraries**

Ohio



Greene County Libraries chose Energy Optimizers, USA to provide lighting retrofits in all seven of their libraries across the county, upgrading them to the latest LED technology. The project was made possible through an Energy Savings Service Agreement (ESSA), which is a funding process that allows local government entities to use on-going energy savings to make the monthly project payment.

### Questions?





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