

Working Together: Central Pennsylvania's Intergovernmental Solar Power Purchase Agreement Working Group

Peter Buck | Chair, SPPAWG

Joe Viglione | CRCOG Finance Director

Gretchen Brandt | Vice-Chair, SPPAWG


Pam Adams | CRPA Sustainability Planner

Working Together: Central Pennsylvania's Intergovernmental Solar Power Purchase Agreement Working Group

OUTLINE

1. Background of Centre Region
2. Possibility
3. Possibility to Project
4. Project to Contract
5. What's next?



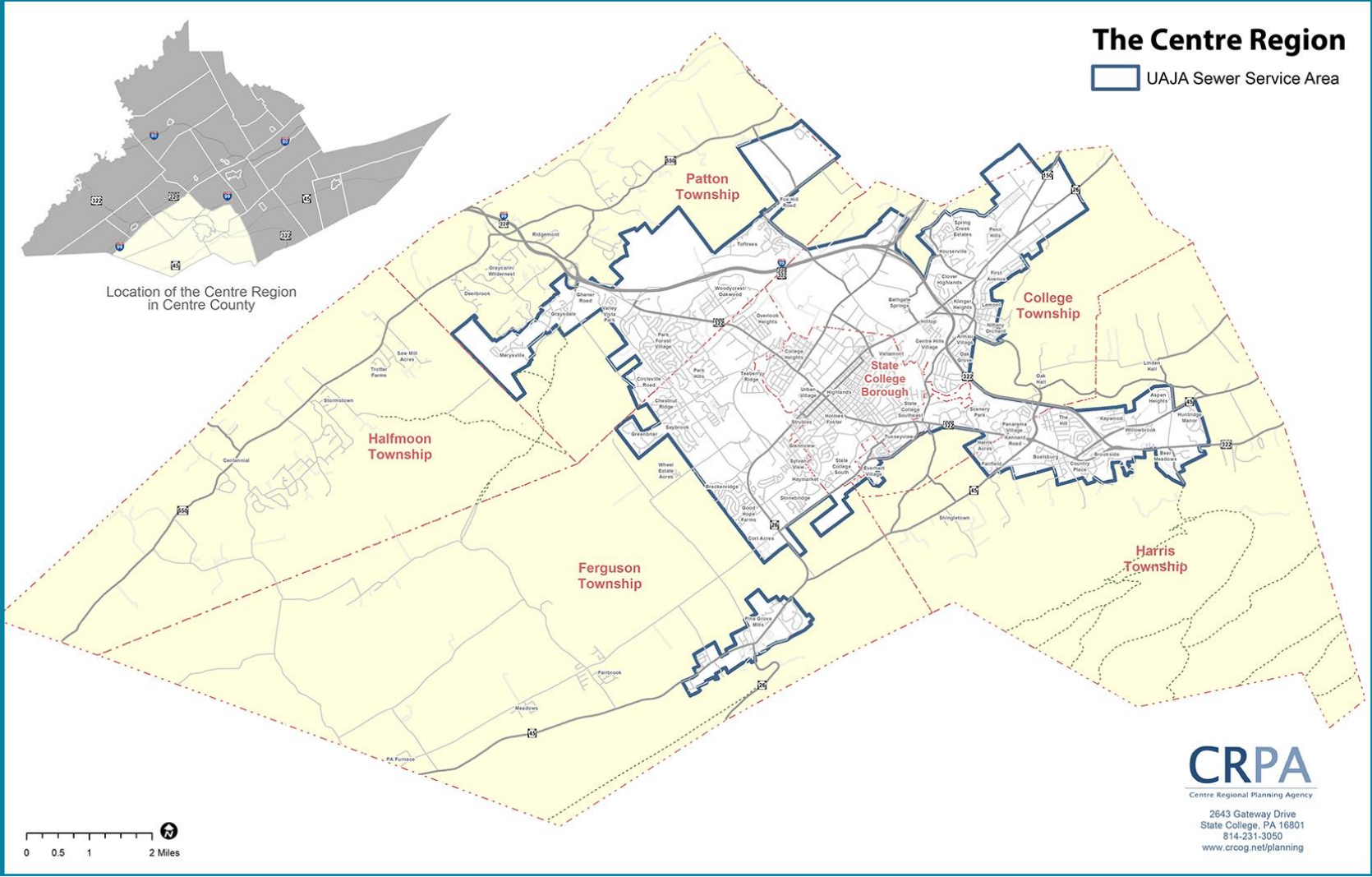
A photograph of a vineyard at sunset. The sky is a mix of orange, pink, and purple. The vines are in the foreground, and a path leads into the distance. A large, semi-transparent dark box is overlaid in the center, containing a quote in white text. Below the quote, the name 'Joseph Joubert' is written in a smaller, reddish font.

The aim of argument, or
of discussion, should not
be victory, but progress.

Joseph Joubert



Centre Region Council of Governments





Centre Region CLIMATE ACTION & ADAPTATION PLAN

For the Borough of State College and Townships of College, Ferguson, Halfmoon, Harris, and Patton

Local Actions and Policies to reduce our greenhouse gas emissions and increase our climate resilience



To be Approved by the Centre Region Council of Governments Draft 9/29/21

Produced by Centre Regional Planning Agency
Through partnership with Local Government for Sustainability (ICLEI)



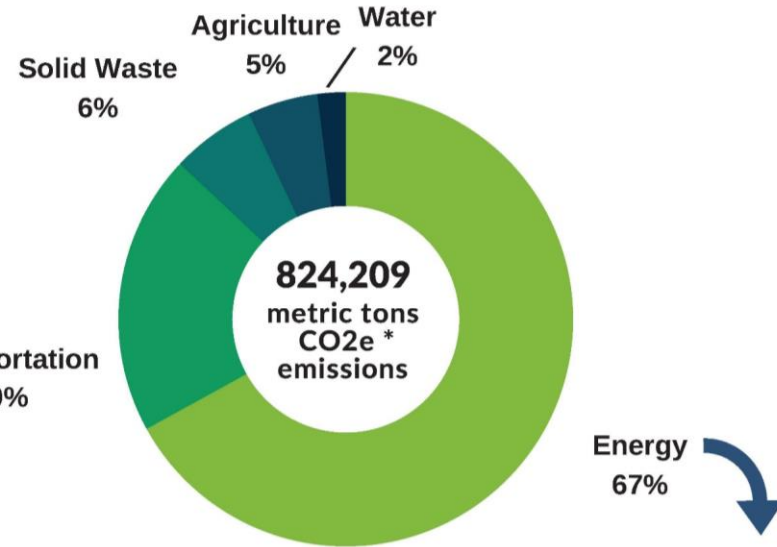
CRPA
Centre Regional
Planning Agency



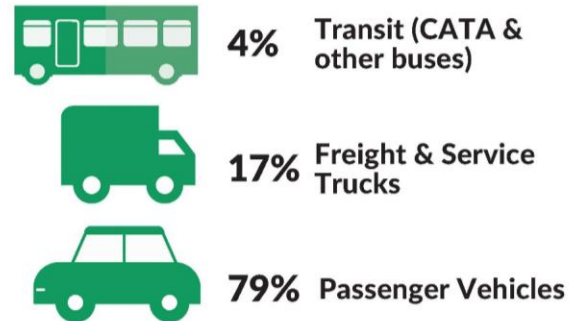
CENTRE REGION COMMUNITY GREENHOUSE GAS EMISSIONS INVENTORY

COLLEGE - FERGUSON - HALFMOON - HARRIS - PATTON - STATE COLLEGE BOROUGH

Greenhouse Gas Emissions Profile



Transportation Emissions Split



Building Energy Emissions Split



**SUSTAINABLE
CENTRE REGION**



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Climate & Sustainability Policies

GHG emissions reduction targets

- 45% reduction in GHG emissions by 2030 based on 2010 levels
- 80% reduction in GHG emissions by 2050 based on 2010 levels
- Offset the remaining 20% of GHG emissions in 2050 with carbon offset projects to be carbon neutral in 2050

Solar Potential in Pennsylvania




Penn State, Lightsource BP break ground on largest solar project in Pennsylvania

Project will provide 25% of University's statewide electricity over 25 years while maximizing the impacts of sustainable solar farming and providing a living laboratory for students



Penn State President Eric L. Barron signs a solar panel at the groundbreaking for a utility-scale solar project.

STATEIMPACT PENNSYLVANIA Energy. Environment. Economy. A reporting project of NPR member stations



SEPTA and Lightsource BP Sign Contract for 43.8 Megawatts of Solar

Two solar farms in Franklin County, Pennsylvania will help SEPTA meet its sustainability goals while supporting the local economy

PHILADELPHIA (April 23, 2020) – The Southeastern Pennsylvania Transportation Authority (SEPTA), among the largest transit agencies in the United States serving the Greater Philadelphia region, and Lightsource BP,

Wolfeboro, N.H. half electricity

Rachel Mc

Solar Power World



TOP SOLAR CONTRACTORS ▾ ARTICLES ▾ POLICY ▾ MARKETS ▾ PRODUCTS ▾ SUBSCRIBE RESOURCES

Philadelphia signs 70-MW solar PPA with Community Energy

By Billy Ludt | December 18, 2018



Clean energy developer Community Energy announced the approval of a 70-MW solar Power Purchase Agreement (PPA) in Adams County, Pennsylvania, to power government facilities in Philadelphia.

StateCollege.com



HOME NEWS BUSINESS ENTERTAINMENT COMMUNITY

Home » Centre County Gazette »

UAJA solar project to create \$7 million in energy savings

TIMELINE

- **2018: Discussions between COG Finance Director and Peter Buck (Chair, Ferguson Township Board of Supervisors)**
- **Convened Finance Directors**

- 2019: Worked with the COG Finance and Public Services & Environment Committees + other Stakeholders to form a Working Group [Approval for COG Staff to facilitate and organize process.]
- Formed working group: Initial group; Solicitation of new members; Goals; Governance; Cost Allocation; Fiduciary appointment of State College Area School District; Create a Timeline for Action

- 2020: Asked to join World Resources Institute & Rocky Mountain Institute Aggregation Cohort
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SOLAR POWER PURCHASE AGREEMENT WORKING GROUP

Intergovernmental Cooperation [Act]

SUBPART D
AREA GOVERNMENT AND INTERGOVERNMENTAL
COOPERATION

Chapter

- 23. General Provisions
- 25. Environmental Improvement Compacts

CHAPTER 23
GENERAL PROVISIONS

Subchapter

- A. Intergovernmental Cooperation
- B. Environmental Advisory Councils
- C. Regional Planning

Enactment. Chapter 23 was added December 19, 1996, P.L.1158, No.177, effective in 60 days.

SUBCHAPTER A
INTERGOVERNMENTAL COOPERATION

Sec.

- 2301. Scope of subchapter.
- 2302. Definitions.
- 2303. Intergovernmental cooperation authorized.
- 2304. Intergovernmental cooperation.
- 2305. Adoption of ordinance or resolution.
- 2306. Initiative and referendum.
- 2307. Content of ordinance or resolution.
- 2308. Bids for certain joint purchases.
- 2309. Direct purchases.
- 2310. Joint purchases with private educational establishments.
- 2311. Written or telephonic price quotations required.
- 2312. Division of transactions provided.
- 2313. Penalty.
- 2314. Required review of specified agreements.
- 2315. Effect of joint cooperation agreements.
- 2316. Recognition by Commonwealth departments and agencies.
- 2317. Agreements for fire protection services in cities of the second class.

SOLAR POWER PURCHASE AGREEMENT WORKING GROUP

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SOLAR POWER PURCHASE AGREEMENT WORKING GROUP

GOALS

- A. Reduce electricity costs
- B. Provide price certainty for long-term electricity costs
- C. Meet sustainability and climate goals
- D. Educate regional participating entities, citizens, professionals and youth in cooperating non-profit and business organizations
- E. Reduce the cost of developing renewable energy projects
- F. Further integrate economic prosperity, health and well-being, and environmental integrity in energy development.
- G. To facilitate industries and businesses within the region, to increase energy diversity and to reduce dependence on fossil fuels.
- H. To enhance the economic value of Group assets
- I. To provide structures aesthetically compatible with the Group's facilities and surrounding neighborhoods.

SOLAR POWER PURCHASE AGREEMENT WORKING GROUP

Centre Area Transportation Authority
Centre County Housing Authority
Centre Region Council of Governments
College Township Water Authority
State College Borough Water Authority
State College Area School District
Centre Hall Potter Sewer Authority
Centre County Refuse and Recycling Authority

Centre County Government
College Township
Ferguson Township
Halfmoon Township
Harris Township
Patton Township
State College Borough

GOVERNANCE

- SCASD lead organization as Fiduciary [CATA Federal Contracts Requirement]
- SCASD has two votes. All other entities get one.
- Majority rules. [All decisions to date have been unanimous.]

COST ALLOCATION BASED ON ELECTRIC USAGE

As Approved at 12/18/19 SPPA Meeting

| Month | CCRRA | Centre Co | SCASD | SCBWA | CATA | CCHA | CHPSA | COG | SCB | Ferguson | Patton | College | CTWA | Halfmoon | Harris | Total |
|--------------------------|-----------------|------------------|-------------------|------------------|------------------|------------------|-----------------|------------------|------------------|-----------------|----------------|----------------|-----------------|---------------|---------------|-------------------|
| January | 70,784 | 215,933 | 1,474,887 | 409,045 | 2,862,760 | 1,017,299 | 495,130 | 113,920 | 3,111,534 | 58,413 | 45,331 | 35,478 | 69,094 | 7,805 | 13,509 | 10,000,922 |
| February | 61,520 | 192,859 | 1,244,806 | 441,272 | - | - | - | 115,955 | | 47,144 | 39,150 | 25,048 | 61,428 | 10,860 | 11,177 | 2,251,219 |
| March | 60,240 | 185,740 | 1,115,968 | 383,280 | - | - | - | 106,651 | | 47,467 | 36,074 | 30,187 | 53,075 | 10,231 | 8,916 | 2,037,829 |
| April | 46,864 | 166,935 | 1,038,836 | 387,090 | - | - | - | 108,033 | | 43,728 | 35,507 | 32,548 | 53,240 | 6,598 | 8,142 | 1,927,521 |
| May | 43,296 | 155,847 | 1,045,919 | 386,012 | - | - | - | 100,395 | | 39,288 | 27,194 | 31,049 | 50,134 | 6,215 | 4,789 | 1,890,138 |
| June | 39,704 | 173,075 | 978,098 | 362,209 | - | - | - | 118,101 | | 43,789 | 25,926 | 30,471 | 52,413 | 4,507 | 3,234 | 1,831,527 |
| July | 43,360 | 147,845 | 811,785 | 346,405 | - | - | - | 161,032 | | 45,473 | 25,899 | 32,240 | 50,962 | 3,977 | 3,331 | 1,672,309 |
| August | 43,432 | 171,105 | 828,907 | 339,381 | - | - | - | 167,354 | | 47,060 | 26,667 | 31,513 | 48,550 | 4,045 | 4,470 | 1,712,484 |
| September | 44,024 | 169,377 | 1,293,683 | 297,486 | - | - | - | 160,564 | | 47,216 | 29,246 | 33,267 | 51,241 | 3,581 | 3,757 | 2,133,442 |
| October | 39,776 | 150,086 | 1,196,764 | 361,938 | - | - | - | 154,772 | | 43,878 | 26,383 | 32,989 | 54,757 | 3,984 | 4,567 | 2,069,894 |
| November | 54,232 | 168,401 | 1,315,030 | 363,590 | - | - | - | 116,609 | | 44,926 | 31,563 | 31,604 | 93,995 | 2,926 | 7,197 | 2,230,073 |
| December | 62,976 | 197,614 | 1,402,372 | 381,958 | - | - | - | 99,928 | | 49,676 | 41,203 | 36,232 | 64,860 | 4,141 | 12,141 | 2,353,101 |
| Total | 610,208 | 2,094,817 | 13,747,055 | 4,459,666 | 2,862,760 | 1,017,299 | 495,130 | 1,523,314 | 3,111,534 | 558,058 | 390,143 | 382,626 | 703,749 | 68,870 | 85,230 | 32,110,459 |
| % Usage | 1.90% | 6.52% | 42.81% | 13.89% | 8.92% | 3.17% | 1.54% | 4.74% | 9.69% | 1.74% | 1.22% | 1.19% | 2.19% | 0.21% | 0.27% | 100.00% |
| Estimated Cost ** | \$ 1,235 | \$ 4,238 | \$ 27,827 | \$ 9,029 | \$ 5,798 | \$ 2,061 | \$ 1,001 | \$ 3,081 | \$ 6,299 | \$ 1,131 | \$ 793 | \$ 774 | \$ 1,424 | \$ 137 | \$ 176 | \$ 65,000 |

** - Estimated Cost is the proportionate share of \$65,000 in legal and consulting services. \$65,000 falls at the higher end of the estimated cost of said services.

SOLAR POWER PURCHASE AGREEMENT WORKING GROUP

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SOLAR POWER PURCHASE AGREEMENT WORKING GROUP

LARGE SCALE RENEWABLE AGGREGATION COHORT

 Free
Workshops

 Free Tools &
Resources *

 Peer
Learning

American Cities
Climate Challenge
RENEWABLES ACCELERATOR



WORLD
RESOURCES
INSTITUTE

Baltimore Region
Procurement Group

Delaware Valley
Region &
Philadelphia
Procurement Group

SPPA WG

New Hampshire
Procurement Group

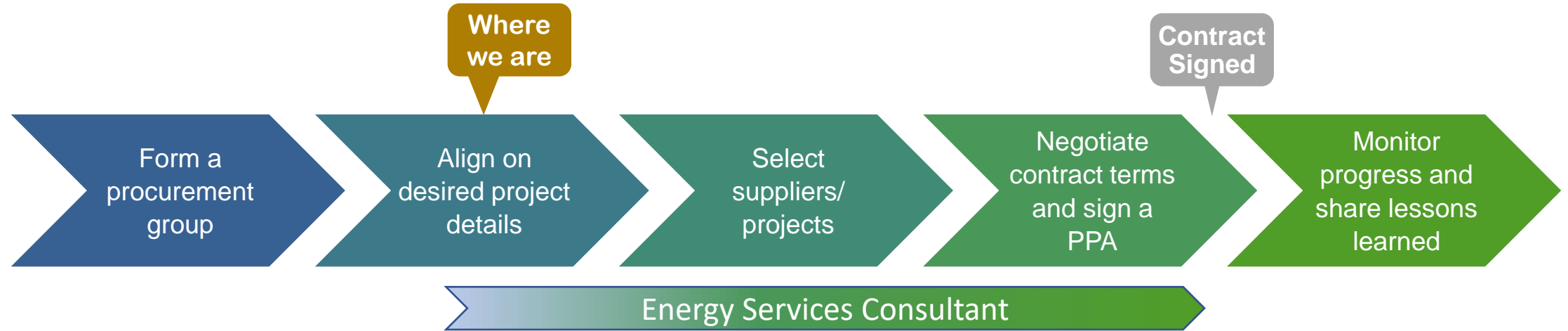
Virginia
Procurement

McDonald's &
Michigan
Procurement Group

SOLAR POWER PURCHASE AGREEMENT WORKING GROUP

An aerial photograph showing rows of solar panels installed on a field, with the text "SOLAR POWER PURCHASE AGREEMENT WORKING GROUP" overlaid in white.

Aggregated Renewables PPA Process



✓ Assess renewables procurement needs **[Done]**

✓ Find partners who have similar needs **[Done]**

✓ Align on a governance structure and timeline

- Align with partners on contract details (project size, timeline and site location, etc.)

- Draft and distribute a joint request for proposal (RFP)

- Align on a selected developer

- Complete the detailed financial analysis for the transaction

- Co-develop a joint term sheet and a template contract.

- Each buyer signs a separate but similar contract.

- Maintain communication with the developer during project construction

- Share our story!

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SOLAR POWER PURCHASE AGREEMENT WORKING GROUP

RFP Review Team

Gretchen Brandt – SCASD COG liaison

Randy Brown – SCASD Finance & Operations Officer

Jason Grottini - SCBWA Board member

Bruce Donovan – CATA Director of Finance

Jesse Barlow – State College Borough Council

Kevin Stahl – SCASD Purchasing Manager

Joe Viglione – COG Finance Director

Pam Adams – CRPA Sustainability Planner

- Respond to questions regarding RFP
- Score the energy services consultant proposals
- Interview 2 consultants
- Make recommendation to SPPA WG

RFP for Energy Services Consultant

- May 12 SPPA Working Group approve RFP release
- Sept 7 Individual Board/Council endorse consultant
- Sept 8 SPPA Working Group recommends SCASD hire consultant
- Oct 11 SCASD, on SPPA Working Group's recommendation, awards contract to consultant

ENERGY SERVICES CONSULTANT

- Contract to investigate the viability of a SPPA
- SPPA WG's recommendation out to 15 entities
- Total Cost ~\$75,000

KEY DATES

Aug 12 – Sept 14:

Boards/Councils endorse the hiring of an Energy Services Consultant

Sept 15, 2021:

SPPA WG recommends SCASD hire an energy service consultant

Sept 15 – Oct 1:

SCASD reviews, negotiates price and develops contract

October 11:

SCASD, on SPPA Working Group's recommendation, awards contract

MOTIONS PASSED


“That the ___ concur with the SPPA Working Group’s recommendation and authorize ___ representative, ___, to vote to recommend that SCASD retain GreenSky Development Group as the Energy Services Consultant for the SPPA project in an amount not to exceed \$75,000, of which ___ share is ___%.”



NEXT STEPS

1. Formed Project Management Team
2. Consult with GreenSky to determine process [Education of SPPA WG; RFI; RFP]
3. Develop Criteria for SPPA RFP & Release RFP
4. SPPA Proposal Review
5. To Award or not to Reward?



A photograph of a vineyard at sunset. The sky is a mix of orange, pink, and purple. The vines are in the foreground, and a path leads into the distance. A large, semi-transparent black box with white text is overlaid in the center. Below it, a smaller red box with white text is visible.

The aim of argument, or
of discussion, should not
be victory, but progress.

Joseph Joubert



Thank you!

QUESTIONS?

An aerial photograph showing rows of solar panels installed on a grassy field. The panels are arranged in parallel lines, and the grass is visible between the rows.

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