

SCV Water Self-Generation Incentive Program Battery Project

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SCV Water – Engineering & Operations Committee
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Item No. 4

SCV Water Self-Generation Incentive Program Projects- Objectives

- Recommend the SCV Water Consider Adopting a Resolution Making the Required Findings and Authorizing and Approving the General Manager to Execute the Energy Services Agreement with Pacifico Power, LLC as well as the Services Order with Stem US Operations, Inc., For Battey Construction and Operations and Maintenance Support at the Rio Vista Water Treatment Plant
- Provide Overview of SGIP Project
- Review Financial Impact
- Next Steps

Self-Generation Incentive Program Overview

Self-Generation Incentive Program (SGIP)

- \$813 Million (2024)
- Base Level Incentive
- Resiliency Adder
- Equity Adder



Energy Resiliency and Battery Storage Objectives

- Conduct Analysis
- Cost-Effective Projects
- Reduce Demand
- Achieve Resiliency
- Maximize Incentive Funding

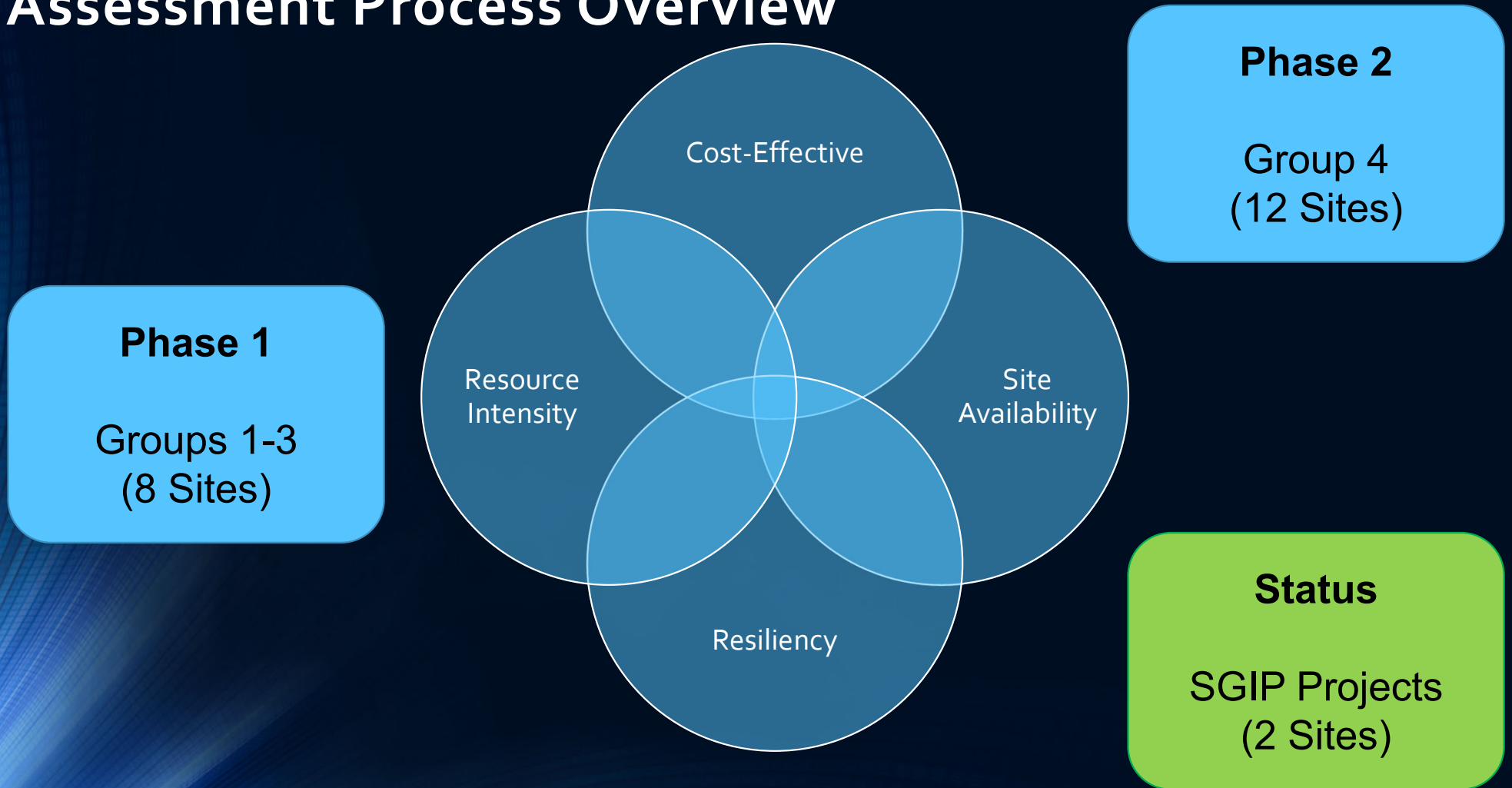


Energy Resiliency & Battery Storage Feasibility Analysis

- Cost-Benefit Analysis
- Electric Meter Data
- Demand Profiles
- Photovoltaic Potential
- Optimal Battery Sizing



Assessment Process Overview



SGIP Project – Rio Vista Water Treatment Plant: Battery

Rio Vista Treatment Plant

- Battery Storage - 2,088 (kWh)
- Solar Offset – 42% (existing)
- Annual BESS Demand – 4,338 (kW)
- Battery Back-up – 24 Hrs. (4%)
- Savings Term – 15 years



SCV Water –SGIP Project

- June 2022 – SGIP Application and Deposit
- September/October 2022: Request for Proposals (RFP) v1.: ESFP & RVWTP
 - RFP received no responses due to technical challenges with ESFP project
 - Team removed ESFP project from RFP
- April 2023 – RFP v.2: RVWTP Only
 - Received 4 proposals
 - Pacifico Power & Stem
- May 2023 – Preferred Provider Letter of Intent
- July 2023 – ESFP SGIP Deposit Refund Requested
- August 2023 – Finalize Project & Service Contracts

SGIP Project – Financial Overview

Component	Estimated Costs	Estimated Incentives/Benefits
Project (EPC)	\$(2,557,968.00)	
Utility Upgrades	\$(100,000.00)	
Agency Review	\$(75,000.00)	
TVE Fees	\$(220,255.00)	
Agency Costs	\$(2,953,223.00)	
SGIP		\$1,030,200.00
IRA ITC (30% EPC + Utility Upgrades)		\$642.860.00
Non-Recurring Incentives/Benefits Total		\$1,673,060.00
Sub-Total Cost (Agency Costs – Non-Recurring Benefits)	\$(1,280,163.00)	
Recurring Benefits (15 Yr.)		\$2,100,172.00
Useful Life Proforma	\$820,009.00	

Note: The SGIP Incentives are distributed over the first 5 years following commissioning of the project.

Next Steps (Project Schedule)

- August 2023 – Finalize Contract Terms
- August/September 2023 – Earl Schmidt SGIP Deposit Refund
- Fall 2023 – Launch Construction (12 Mos. Construction Est.)
- Fall 2024 – Complete Construction
- Winter 2024/2025 – Battery & EMS Configuration
- Spring 2025 – Launch System Operation

Staff Recommendation

Recommend the SCV Water Consider Adopting a Resolution Making the Required Findings and Authorizing and Approving the General Manager to Execute the Energy Services Agreement with Pacifico Power, LLC as well as the Services Order with Stem US Operations, Inc., For Battey Construction and Operations and Maintenance Support at the Rio Vista Water Treatment Plant

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