

Brian M. Balbas, Director

Deputy Directors Stephen Kowalewski, Chief Allison Knapp Warren Lai Carrie Ricci Joe Yee

Memo

Date: November 28, 2022

TO: Sustainability Committee

FROM: Brian M. Balbas, Public Works Director

By: Brendan Havenar-Daughton, Energy Manager

SUBJECT: RECOMMEND APPROVAL by the Board of Supervisors and AUTHORIZE Public

Works Director to execute Battery Services Agreement and Savings Guarantee Agreement with Total Energies Distributed Generation USA, LLC in conjunction

with the Battery Energy Storage System proposed for the West County

Detention Facility.

WORK ORDER NO: WH265M

BACKGROUND: On July 10, 2018 the BOS approved Public Works Distributed Energy Resources (DER) plan which included permission to issue an RFQ to select a solar partner to install PV systems under a Power Purchase Agreement in accordance with California Contracting Code 4217. Through the RFQ process, Public Works selected SunPower Corporation (now DBA Total Energies).

In June 2019, the BOS approved and authorized the Public Works Director, or designee, to execute ten Power Purchase Agreements with Solar Star Co Co 1 (Sun Power) and three Battery Services Agreements for energy storage system services.

In March 2020, the BOS approved and authorized the Public Works Director, or designee, to execute a Letter of Intent (LOI) with SunPower Corporation Systems. The LOI allowed SunPower to submit applications to the California Energy Commission for Equity-Self Generation Implementation Program (E-SGIP) rebates to fund the installation of energy storage systems at County-owned facilities at no cost to the County.

This Battery Energy Storage project at the West County Detention Facility is covered in the LOI with Sun Power. SunPower (now TotalEnergies) secured a \$1.8-million-dollar program incentive grant through the CPUC-funded Self-Generation Incentive Program (SGIP) for a battery storage system and EV chargers for the WCDF. Public Works staff is proposing to tie the battery storage into the existing 900kW solar system on site and provide (dedicated) resiliency back-up power to EV charging infrastructure to be included in project installation. This decision would allow for extended use of the EV Chargers in the event of electric grid outages (up to an estimated 500 hours of charging). The program incentive would be signed over to Total-Energies and will cover all of the cost of the battery storage system, EV chargers, installation.

RECOMMENDATION(S)/NEXT STEP(S): APPROVE and AUTHORIZE Public Works Director to execute Battery Services Agreement and Savings Guarantee Agreement with Total Energies Distributed Generation USA, LLC in conjunction with the Battery Energy Storage System proposed for the West County Detention Facility.

FISCAL IMPACT: The equipment and labor costs for battery installation are fully covered by the Self-Generation Incentive Program. The project will generate \$85,000 in guaranteed annual savings for a period of ten years. The County will incur a cost of \$25,000 per year to cover maintenance and operation services

provided by Total Energies for a period of ten years. The annual net savings to the County will be \$60,000. EV charging infrastructure included in the project offers the potential for additional revenue generation.

CONSEQUENCE OF NEGATIVE ACTION: County will lose out on \$600,000 in guaranteed electricity costs savings over a period of ten years. County will forego the opportunity to deploy (electric) grid-independent EV charging infrastructure, which would allow for EV charging during PG&E power outages.

Attachments:

- 1. CCC 5555 Giant Hwy BESS Savings Guarantee Agreement 11.16.2022
- 2. CCC 5555 Giant Hwy E-SGIP Battery Services Agreement 11.16.2022

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CCC 5555 Giant Hwy BESS Savings Guarantee Agreement 11.16.2022 CCC 5555 Giant Hwy E-SGIP Battery Services Agreement 11.16.2022

 Brendan Havenar-Daughton, Energy Manager Michele Wara, Executive Secretary