



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: September 22, 2020

Subject: Approve amendments to Power Purchase Agreements with SunPower (Solar Star Co Co 1, LLC)

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a Consent and Agreement, dated September 22, 2020, with Solar Star Co Co 1, LLC and Wilmington Trust, National Association acknowledging a collateral assignment of Power Purchase Agreements for the solar provider's construction of the solar systems.

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute an Omnibus Amendment to Power Purchase Agreements (PPAs) among Contra Costa County and Solar Star Co Co 1, LLC and Solar Star Co Co 2, LLC to increase the kilowatt hour rate and changes to 1000 Ward battery storage capacity.

**FISCAL IMPACT:**

The increase in the kilowatt hour rate is precipitated by PG&E requirements for upgraded electrical system infrastructure not to exceed \$500,000, which will increase the price per kWh from \$0.1344/kWh to \$.1476/kWh an increase of \$0.0132/kWh. Estimated savings over the PPA term will reduce from \$16,497,946 to \$14,529,973.

The increased capacity of the energy storage system at 1000 Ward as a result

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY

☐ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

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Action of Board On: **09/22/2020** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Diane Burgis, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 22, 2020

David Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Ramesh Kanzaria,  
(925) 957-2468

By: Laura Cassell, Deputy

cc:



## FISCAL IMPACT: (CONT'D)

of Sun Power's no-cost modification to the system will result in a Guaranteed Savings increase of \$7,000/year.

There are no other fiscal impacts.

## BACKGROUND:

Contra Costa County and SunPower (Solar Star Co Co 1) entered into Power Purchase and Storage Services Agreements (PPA) on June 18, 2019 for various solar projects at 40 Muir Road (Martinez), 595 Center Avenue (Martinez), 597 Center Avenue (Martinez), 1000 Ward Street (Martinez), 50 Douglas (Martinez), 4545 Delta Fair Boulevard (Antioch), 4540 Delta Fair Boulevard (Antioch), 1305 MacDonald (Richmond), 2530 Arnold Drive (Martinez).

### Consent and Agreement

The originally executed PPAs established the County's obligation in Section 14.17 to reasonably cooperate with SunPower and its financing parties in connection with such financing including the giving of the Financing Party acknowledgment form attached in the Power Purchase Agreement, Exhibit B. On March 26, 2020, the County received the Notice of Assignment from SunPower. The now finalized Consent and Agreement is presented to the County for approval and execution.

### Omnibus Amendment

Upon execution of the original PPA, PG&E processed the solar interconnection applications for the projects and subsequently performed supplemental assessments of the proposed locations. The supplement assessments determined that the added renewable power generation capacity from these projects require material changes to PG&E's electrical system, for example, replacing existing primary transformers with larger transformers and increasing the size of secondary conduits that connect the transformer to the building main service panel. These improvements increase the cost to the solar provider, SunPower, to install the solar systems at an additional cost estimate of \$500,000 as summarized below.

### 595 Center, Martinez Project

PG&E requires upgrades to the secondary conductor between the primary transformer and the building main panel. In addition, SunPower determined that their switchgear would need to be relocated to accommodate the utility electrical distribution system requiring the construction of a retaining wall to accommodate the new switchgear location. These modifications are estimated to be \$104,730.

2530 Arnold, Martinez Project The PG&E for 2530 Arnold Drive identified the need to upgrade the primary transformer to 1000 kVA to accommodate the solar and storage system capacity at an estimated cost of \$149,617.

1305 MacDonald, Richmond Project Improvements to the aging electrical main panel at 1305 McDonald to which a small rooftop PV is interconnected (through the AES PPA)

are required to safely interconnect the SunPower PPA parking lot canopy system. Working with Contra Costa County Public Works, SunPower designed a modification that allows for the safe interconnection of the new solar PV system and facilitates future opportunities in the parking lot associated with electric vehicles and increased resiliency. A minor PG&E system upgrade was required to accommodate the change and the full cost of the electrical system upgrade is estimated to be \$105,000

In addition to the costs associated with change orders precipitated by PG&E, SunPower will incur additional costs estimated to be \$140, 653 to cover additional unforeseen changes and to fund the implementation of make-ready electrical infrastructure for the future installation of EV charging stations for County pool and fleet vehicles at facilities where SunPower is installing solar carports. This EV infrastructure work will be completed by SunPower.

The Omnibus Amendment increases the kilowatt hour price so that SunPower will realize additional amounts to pay for the increased solar system installation costs. Failure to execute the Amendment would result in a delay of construction commencement and require the County to identify alternate funding for the change orders.

1000 Ward, Martinez Project At the 1000 Ward, Martinez location, SunPower applied for and received a grant from the State of California allowing them to double the storage capacity of the energy storage system included as part of the original PPA. This will result in an increase of the contractual Guaranteed Savings in the PPA from \$29,791/year to \$36,791/year. This alteration comes at no cost to the County as the cost was covered by the State grant. The PPA Termination Values, which proportionally increased as the project value increased due to the increased energy storage system capacity, is revised by the Omnibus Amendment.

#### CONSEQUENCE OF NEGATIVE ACTION:

Without approval of the Consent and Agreement the County would not be in accordance with the original Power Purchase Agreement. Without approval of the Omnibus Amendment, the County would need to identify an alternate funding source for the required change orders resulting in delays to the construction of solar and battery storage facilities.

#### ATTACHMENTS

30 Douglas  
4545 Delta Fair  
4549 Delta Fair  
30 Muir  
50 Douglas  
597 Center  
2530 Arnold  
1000 Ward  
1000 Ward (Savings Guarantee Agreement)

1305 Macdonald  
Consent (redline)