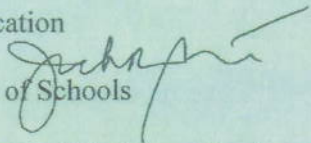


Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

October 10, 2017

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools 

Subject: Award of Contract—Solar Photovoltaic Power Purchase Agreements at Various Locations

Background

Montgomery County Public Schools (MCPS) is a leader in public school environmental sustainability and particularly in the hosting of solar photovoltaic (PV) systems on school roofs. Since 2008, MCPS has awarded contracts for Power Purchase Agreements (PPAs) for 16 rooftop systems. In the most recent contract for eight rooftop solar PPA systems, only four of the systems were installed. The other four systems never proceeded to construction due to the lack of financing for the projects and the bankruptcy filing of the contractor, SunEdison LLC. Subsequently, SunEdison LLC terminated all outstanding contracts in a manner that was agreeable to MCPS, which allowed us to pursue a request for proposal for other contractors to develop solar PPA projects.

The basic solar PV PPA is a solar PV system project that the solar developer finances, designs, constructs, owns, operates, and maintains. MCPS agrees to “host” the solar PV system on individual school rooftops for a period of 20 years. MCPS also agrees to purchase the electric output of the solar PV system at a fixed price provided in the PPA. The solar developer is able to combine the tax incentives for solar energy; the sale of the Solar Renewal Energy Credits, also known as environmental attributes; and to offer MCPS electric power priced significantly below the cost of conventional electricity.

The departments of Facilities Management and Materials Management conducted a public solicitation process for solar PV PPAs that generated significant interest from the solar developer industry resulting in the submission of seven proposals. The evaluation committee unanimously selected the Constellation proposal due to its competitive prices. The scope of this project includes rooftop-mounted solar PV systems at four schools.

The initial group of schools—Roberto W. Clemente and Rosa M. Parks middle schools and Albert Einstein and Walt Whitman high schools—was selected to host the rooftop solar PV systems because of recently installed roofs suitable for solar PV systems. In addition, these schools did not have expansive vegetative roofs that would eliminate the ability to use the roof to host

solar PV systems. The electric generating capacity of the systems proposed at these schools is 1.2 megawatts (MW-DC) with an estimated annual production of 1,465,000 kilowatt-hours. The annual cost avoidance is estimated at approximately \$75,000. I recommend the following resolution for your approval.

WHEREAS, The expansion of solar photovoltaic systems being hosted by Montgomery County Public Schools and the purchase of the electricity through Power Purchase Agreements furthers the goals of the Montgomery County Public Schools' Fiscal Year 2016 Environmental Sustainability Management Plan; and

WHEREAS, Staff in the departments of Facilities Management and Materials Management solicited proposals for solar photovoltaic Power Purchase Agreements; and

WHEREAS, Constellation was selected as the successful contractor based on a competitive process in compliance with applicable procurement requirements; and

WHEREAS, Constellation proposed to finance, install, own, and operate solar photovoltaic systems of a rated capacity of approximately 1.2 megawatts-AC on the rooftops at four Montgomery County Public Schools' school facilities that are found to be suitable for installation of the solar photovoltaic systems; and

WHEREAS, The Power Purchase Agreements with Constellation for these rooftop installations will provide the benefits described above including purchasing electricity at a significant discount resulting in approximately \$75,000 per year in cost avoidance; and

WHEREAS, The Power Purchase Agreements secure a stable source of electricity at a fixed price for 20 years; now therefore be it

Resolved, That the Board of Education authorize the Board of Education president and the superintendent of schools to negotiate and execute Power Purchase Agreements with Constellation and all other necessary documents to develop and install solar photovoltaic systems at Roberto W. Clemente and Rosa M. Parks middle schools and Albert Einstein and Walt Whitman high schools.

JRS:AMZ:JS:lmt