



## Purchasing Notes

<b>EVENT #</b> 8789	<b>TITLE:</b> Solar Energy Procurement Agreement		<b>COST:</b> \$6,320,000				
<b>TYPE OF PROCUREMENT:</b> RFP	<b>ANNUAL CONTRACT</b> <input checked="" type="checkbox"/>		<b>ONE TIME PURCHASE</b> <input type="checkbox"/>				
<b>CONTRACT TERM (IF APPLICABLE)</b> July 14, 2023, renewable for 25 yrs.							
<b>DBE (IF APPLICABLE)</b> Cherry Street Energy has presented a minority participation of 56.1% with Pat Mathis at 35.3% and Power Solutions Inc at 20.8%							
<b>MATRIX (IF APPLICABLE)</b>							
Proposer	Proposer's qualifications and experience, of similar projects <b>25 Points</b>	Levelized Cost of Energy Over Contract Term <b>25 Points</b>	Project Approach, Timeline, Guarantees <b>10 points</b>	Additional Benefits-Workforce entrepreneurship Support <b>(10 points)</b>	DBE Participation <b>10 points</b>	Savannah First <b>20 points</b>	Total <b>100 Points</b>
Creative Solar	18	22.18	6	6.8	10	0	62.98
Cherry Street Energy LLC	23.8	25	9.8	9.4	10	0	78
Hannah Solar Energy, Inc..	18	15.16	7.4	7.4	10	0	57.96
<b>NOTES</b>							

This is for a Solar Energy Procurement Agreement with Cherry Street Energy in the amount of \$6,320,000, which will be paid on a per kilowatt-hour basis over 25 years

The Georgia General Assembly authorized Solar Energy Procurement Agreements (SEPA) in 2015 as a tool that allows for the installation, operation, and maintenance of solar at no upfront cost.

SEPA's have been used extensively by local governments in Georgia, including the City of Atlanta, Macon-Bibb County, and Fulton County. Under the proposed SEPA, Cherry Street Energy will install solar energy systems on 19 City facilities at no upfront cost, and the City will pay for each kilowatt-hour (kWh) of energy that is generated at a price that is less than the current utility rate. As a result, the City expects a net savings of more than \$30,000 in the first year. Together, these 19 systems represent approximately 1.7 megawatts (MW) of solar and will reduce City energy use by approximately 3% relative to 2021 usage. These systems will also generate renewable energy credits (RECs) that will directly support compliance with the City's 100% Savannah Clean Energy goals.

In total, the City expects to pay \$6.32 million over 25 years for this service, which includes installation, operations, and maintenance (O&M), and decommissioning. As part of the SEPA, Cherry Street will also replace three roofs (valued at more than \$300,000), provide workforce training, offer entrepreneurship seminars to support the development of the local solar market, and provide energy advisory services to ensure the City is on the most cost-effective utility rate over the course of the term.

The City has identified 19 City facilities to have solar photovoltaic systems. Each of the facilities has been deemed suitable for solar PV based on energy usage profiles, the structural integrity of the rooftops, and shading.

The method used for this procurement was a request for proposals (RFP), which evaluates criteria in addition to the cost. The proposals were evaluated based on qualifications and experience, project approach, levelized cost of energy over the contract term, workforce training, entrepreneurship support, and local vendor participation.

This proposal was advertised, opened, and reviewed. Three proposals were received in response to this RFP. All proposals were reviewed and fully evaluated by a selection committee of City staff. Delivery: As needed. Terms: Net 30 days. The vendor is:

- Cherry Street Energy, LLC (Atlanta, GA)
- Hannah Solar Energy, Inc (Atlanta, GA)
- Creative Solar USA (Kennesaw, GA)

A pre-proposal conference was conducted, and seven vendors attended. (A) indicates local, DBE owned business. Recommend approval.

