

ZNE ALLIANCE TEAM CLIENT ENGAGEMENT- LETTER OF AUTHORIZATION (LOA)

4/20/2016

To: City of Fort Bragg Califiornia

ABM Building Solutions, Energy Solutions, and ZNE Alliance (herein after refered to as the "Team") are working as a team to help companies and communities leverage public and private financing to accelerate adoption of clean energy technologies and advance a Zero Net Energy future. The Team seeks to work with the City of Fort Bragg (City) to implement an integrated distributed energy resource (DER) project using public funding available through the California Energy Commission (CEC), California Air Resources Board, US Department of Energy, Investor Owned ratepayer funded programs and other private sources. To successfully engage with the City, the Team needs to work with the customer to complete the following tasks in advance of developing a proposal for funding:

- Review relevant facility and energy data
- Review the City's capital plan and facility management needs to match the city needs with available funding sources.
- Assess energy and operational savings opportunities.
- Assess zero emissions vehicle planning and development opportunities.
- Identify technology providers.

It is the intention of the Team to complete these engineering and market coordination tasks without charging fees. In return, we ask that the City of Fort Bragg:

- Provide access to energy bills and facility asset data
- Cooperate with the Team to scope the project and source data for the grant application
- Implement specified energy projects if the projects receive funding and are cost effective.

The Team will establish an energy and operational savings program at City facilities. Depending on the City of Fort Bragg needs and opportunities, cost-saving and revenue generating clean energy strategies may include, but are not limited to:

- High efficiency interior and exterior LED lighting
- High efficiency HVAC, motors, water heating and mechanical processes
- Advanced building energy management systems and strategies
- Thermal and/or battery energy storage
- Solar PV and solar thermal
- Electric vehicles and charging stations
- Demand charge mitigation
- Demand response program participation
- Energy resilience and assurance for critical poer needs
- Advance energy policies (Including energy ordinances and codes)
- Water efficiency and infrastructure.
- Wastewater systems

The results from this program will yield the following benefits to the City of Fort Bragg:

- Energy savings and related cost savings
- Expected positive cash flow
- Greenhouse gas emissions (GHG) reductions
- Improved facility operations, resiliency and occupant comfort.

By signing this document the City of Fort Bragg agrees and commits to the following:

- The City of Fort Bragg will provide the Team access to facility energy and asset data
- The City of Fort Bragg will implement energy conservation measures that will be cash flow positive
- The City of Fort Bragg will implement energy strategies mutually determined to be advantageous (which may include energy efficiency, energy storage, renewable energy, demand response, demand management and electric vehicle technologies and strategies.)
- If the project cannot be funded and the Team is unable to identify a viable project, The City of Fort Bragg is not obligated to compensate the Team for the Engineering Analysis.
- All project services will be completed by the Team or by mutually approved subcontractors.

The Team is pleased to work with The City of Fort Bragg and looks forward to helping achieve financial and energy saving goals. Please contact Boone Birdsell (boone.birdsell@abm.com) if you have questions or comments regarding this proposal.

Sincerely, Boone Birdsell	The City of Fort Bragg
ABM Building Solutions	The City of Fort Bragg
ZNE Alliance, Team	Date:

By signing above, The City of Fort Bragg acknowledges and accepts all terms and conditions set forth in this letter, and further commits that they have the signing authority to do so.



Project Development Schedule

Team Members

Process Step	Date	City of Fort Bragg	ZNE Alliance
Introduction to Team Solutions	04-20-2016	CI Committee	Boone Birdsell Kathy Hughes Richard Schorske Brian Barnacle
Letter of Authorization	05-09-2016	City Council	Boone Birdsell Kathy Hughes Richard Schorske Brian Barnacle
Preliminary Facility Survey	05-10-2016	Public Works or city designee	Boone Birdsell Richard Schorske Brian Barnacle
Present Results & Determine Next Steps	06-13-2016	City Council	Boone Birdsell Richard Schorske Brian Barnacle
Comprehensive Engineering Study to begin	06-27-2016	City Council	Boone Birdsell Richard Schorske Brian Barnacle
Present Final ZNE Solutions Proposal	10-10-2016	City Council	Boone Birdsell Kathy Hughes Richard Schorske Brian Barnacle
Project Approval	10-24-2016	City Council	Boone Birdsell Richard Schorske Brian Barnacle
Project Mobilization	11-01-2016	City Council	Boone Birdsell Richard Schorske Brian Barnacle
On-Going Support and Service	Through the end of the Contract term	City of Fort Bragg	ABMEnergy SolutionsEV Alliance

Presentation Agenda

- Introductions
- Priority Opportunities
- ZNE Alliance Team and Approach
- Project Development Process
- ⇔ Q&A









Priority Opportunities

Drinking Water Supply

- Increasing Capacity for future Growth
- Present Water Losses in existing Infrastructure
- ltem # 1 on City Council Goals List

Wastewater Treatment

- Facing upcoming renovations
- Item # 1.3 on City Council Goals List

Street Lighting

- Revamp Main street with better lighting
- Homeless problem in unlit areas
- Item # 1.4 on City Council Goals List

Energy Conservation and Zero Net Energy

Item # 3 on City Council's Goals List is to Be a Net Zero Energy City by 2020



FORT BRAGG

About the ZNE Alliance

companies and public agencies to advance a Zero Net Energy & Zero Net MISSION. The ZNE Alliance creates public-private partnerships with leading **Emissions future**

RESULTS.

- Dramatically reduce energy costs & emissions.
- Accelerate adoption of clean energy & mobility technologies.
- Improve facility performance & comfort.

strategies to achieve client goals. Access public and private funds to improve STRATEGY. Develop and deploy ZNE Master Plans and market acceleration project economics







Upcoming Energy Commission Grants

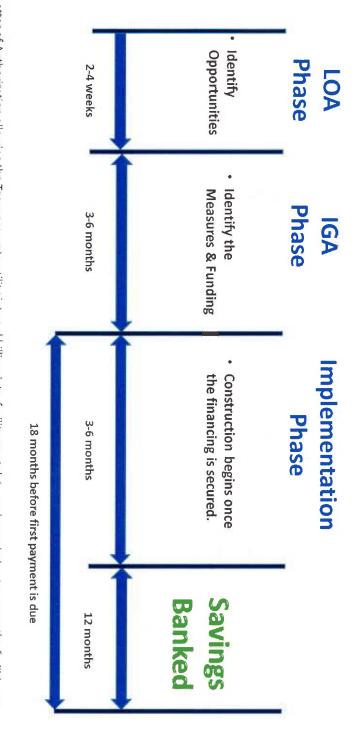
Anticip	Anticipated Solicitations	To a second	
Solicitation Title	Release Date	Program Area/Strategic Objective	Estimated Funding Amount
Innovative Water and Energy Efficiency Demonstrations for the Commercial. Industrial or Water/Wastewater Sectors	April 2016 – June 2016	Technology Demonstration and Deployment (\$12)	\$4 million
Development, Demonstration, and Deployment of Environmentally and Economically Sustainable Biomass-to-Energy Systems for the Forest and Food Waste Sectors	May 2016 – Jun. 2016	Applied Research and Development (S3) Technology Demonstration and Deployment (S13)	\$23 million
Addressing Air Quality and Environmental Impacts of Conventional and Emerging Electricity Sector Technologies	Jun. 2016 – Aug. 2016	Applied Research and Development (S5)	\$4.7 million
Develop and Test Industrial, Agricultural, Water and Demand Response Technologies and Strategies to Reduce Energy Use and Costs	Jun. 2016 – Sept 2016	Applied Research and Development (S1)	\$28 million

\$100M+ of funding is issued annually

Keys To Winning

- Commitment from partners
- Proactive identification of opportunities
- Detailed scope of work in proposal

Project Development Timeline



assess and identify opportunities. LOA - Letter of Authorization allowing the Team access to utility interval billing data, facility asset data, and permission to access the facilities to

IGA – Investment Grade Audit is where the team develops detailed engineering calculations to model expected project performance.

LOA Needs and Process

Needs from City

- Approve LOA
- Provide access to energy bills and facility asset data
- Cooperate with the Team to gain access to facilities

Team Process

- Review relevant facility and energy data
- Review the City's capital plan and facility management needs
- Assess energy and operational savings opportunities
- Assess zero emissions vehicle planning and development opportunities







Thank You – Questions??



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