EVALUATION REPORT

Evaluation of Proposals Received on December 15, 2017 in Response to a Request for Proposals for a Developer of a Photovoltaic System to be Located on Facilities and Lands Owned by Elizabeth Public Schools Board of Education, Union County, New Jersey

Prepared for:
Elizabeth Public Schools Board of Education

By:
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Dated:
February 20, 2018

Evaluation Report
Table of Contents

Report Sections Page

Attachments

Executive Summary

This Report is being provided pursuant to the requirements of the competitive contracting provisions of the Public School Contracts Law, specifically, N.J.S.A. 18A:18A-4.1(k); LFN 2008-20, dated December 3, 2008, *Contracting for Renewable Energy Services*; BPU protocol for measuring energy savings in PPA agreements (*Public Entity Energy Efficiency and Renewable Energy Cost Savings Guidelines, dated February 20, 2009*); LFN 2009-10, dated June 12, 2009, *Contracting for Renewable Energy Services: Update on Power Purchase Agreements,* and all other applicable law.

The purpose of the Evaluation Report is to provide the Elizabeth Public Schools Board of Education (hereafter referred to as "Elizabeth BOE" or "BOE"), with an evaluation of proposals received for its planned solar project and to provide a recommendation to the BOE.

The goal of the BOE is to implement a solar energy project that is environmentally responsible, visually appealing and economically beneficial to the BOE. To this end, on November 1, 2017, the BOE issued a Request for Proposals ("RFP"), as amended, for a Power Purchase Agreement ("PPA") for the purchase by the BOE of electricity generated by photovoltaic solar energy systems ("Systems") implemented by a proposing firm ("Respondent") to the RFP, at its sole cost and expense (the Respondent to be awarded the project will be referred to as the "Successful Respondent"), to be located on facilities and lands owned by the Elizabeth BOE, in the County of Union, New Jersey.

Pursuant to the RFP, the Successful Respondent will finance, design, permit, acquire, construct, install, operate and maintain the System, all in accordance with the terms set forth in the RFP including on the Successful Respondent's PPA Price Quotation Proposal Forms. The Successful Respondent will also have all ownership rights to the Solar Renewable Energy Certificates ("SRECs") generated by the Systems at each school and will monetize the SRECs.

The RFP contained a preliminary feasibility assessment performed by the BOE's energy consultant, Gabel Associates, and BOE's architect for this project, Neglia Engineering Associates, which assessed the roof and structural conditions, estimated the technical potential for the System at the BOE's facility, and identified site specific conditions of note. The RFP included three proposal options; one mandatory and two elective proposal options.

The mandatory Option 1, as set forth in Article II of the RFP, included roof-mounted systems to be developed at Elizabeth High School and School 22 William F. Halloran School. Elizabeth BOE also encouraged, but did not require, Respondents to submit proposals for the following two additional options. Option 2 consisted of the roof-mounted systems required in Option 1 with the inclusion of a carport canopy-mounted systems in the parking lots of Elizabeth High School and School 28 Juan Pablo Duarte – Jose Julian Marti School. Option 3 included the systems contained in Option 1 and Option 2 along with additional, potential roof-mounted system locations at School 7 Terence C. Reilly, School 50 France C. Smith Center for Early Childhood Education, Thomas A. Edison Career and Technical Academy, School 1&9 George Washington Academy & Jerome Dunne Academy, and School 30 Ronald Reagan Academy.

Respondents were permitted to provide additional proposals based on their own due diligence, feasibility assessments, and alternative strategies, as long as the Respondents included a proposal on the mandatory proposal Option 1. These alternative proposals could include areas of the District property not explicitly included in the options.

Under the RFP, the BOE retains sole discretion to select the proposal option under which the PPA, if any, will be awarded. Each proposal options includes different risks and potential benefits. Option 1 includes the two facilities with young roofs (under warranty), large usable areas, and presents the lowest risk of the three options. Option 2 includes carport canopy systems which require footing below grade and large steel structures. Option 2 systems present more risk that Option 1 due to known and unknown conditions beneath the included parking lots and potential changes to parking lot maintenance (increased salting). Option 3 carries the most risk because it includes the carport canopies of Option 2 and their associated risk as well as numerous older roofs that are in varying conditions. The roofs included in Option 3 are not under warranty and likely will need repair or replacement during the 15-year PPA term, if not prior to construction of the solar projects. If the actual cost of canopy or older-roof based systems are higher than the costs the Successful Respondent expected at the time it submitted its proposal, then the facilities may be removed from the project portfolio potentially negatively impacting PPA rates. In an extreme case, if enough projects are removed, it is possible that the the BOE could be left with a solar project portfolio that looks like Option 1 but has a PPA Rate of Option 2 or 3.

As set forth in the RFP, the Successful Respondent and the BOE will enter into a 15-year PPA under which the BOE will purchase electricity produced from the System at a scheduled rate per kWh. Pursuant to public school contracts law for PPAs, for the BOE to award this project the PPA price must provide a savings and be lower than the delivered cost of power from the local electric utility company; i.e. Public Service Electric and Gas Company ("PSE&G"). The PPA structure provides the BOE with a reduction in its energy expenditures and minimizes the uncertainty that may result from price increases in the electricity market during the 15-year term of the PPA, in addition to the other benefits that may be realized by the BOE. The RFP encouraged respondents to include educational and curriculum-based content as part of the proposed solution. At the conclusion of the PPA Term, the BOE will have options for removal at no cost to the BOE, purchasing the system at fair market value, or extend the PPA.

To evaluate proposals, the BOE organized an evaluation team comprised of District personnel and supporting legal and energy professionals (collectively, "Evaluation Team"). The Evaluation Team developed the RFP, administered the procurement process (including site visits, RFP addenda, and written Q&A), determined legal completeness and technical compliance of the proposals received, conducted interviews with proposing teams, completed a detailed economic analysis, performed a collective evaluation and proposal ranking by consensus, and drafted this consensus-based Evaluation Report for consideration by the BOE while making the award decision. Evaluation of the proposals was based on point-ranking in a variety of categories, including financial benefits, technical design and approach factors, Respondent experience, and other factors as defined in the Evaluation Matrix included in the RFP. In accordance with the Competitive Contracting requirements of the Public School Contracts Law, the Evaluation Matrix was developed and published prior to the receipt of proposals in response to the RFP

Elizabeth BOE received proposals from six (6) solution providers (hereafter referred to as "Respondents") on December 15, 2017 in response to the RFP, including:

- Advanced Solar Products / Spano Partners Holdings
- Altus Power America / Dobtol
- EnterSolarEDU/ General Electric
- Ferreira Construction Co., Inc. / Summit Water Capital Advisors
- HESP Solar
- Onyx Renewable Partners

Following a legal and preliminary economic review, all proposals were considered complete and legally compliant with the requirements of the RFP. The Evaluation Team completed in-person interviews of the six (6) Respondents. These interviews were followed by detailed technical and financial analysis, formal ranking of the proposals as per the evaluation criteria published in the RFP, and development of this Evaluation Report.

The Evaluation Team developed a consensus ranking of each proposal within each evaluation category, leading to an overall score for each proposal between 0 and 100. All three proposal options were scored separately. The proposal with the highest score in each Option represents the strongest weighted-balance of all factors considered for said Option. Based on information contained within the proposals, and additional information collected during the oral interviews, the Evaluation Team scored the six (6) proposals in accordance with the evaluation criteria specified in the RFP. Table 1 below summarizes the scores for each of the proposals:

Table 1: Evaluation of Proposals

Respondent	Option	PPA Rate ($/kWH)	Escalation Rate	Evaluation Matrix Score
ASP/Spano	1	$0.0425	1.50%	86.5
	2	$0.0835		54.89
Altus/Dobtol	1	$0.0665	2.00%	69.11
	2	$0.0770		64.74
	3	$0.0663		93
Enter Solar EDU	1	$0.0649	1.90%	64.08
	2	$0.0899		42
	3	$0.0899		42
Ferreira	1	$0.0775	2.00%	54.77
HESP Solar	1	$0.0480	1.90%	91
	2	$0.0590	2.00%	92
	3	$0.1050		45
Onyx	1	$0.0650	1.25%	86.25
	2	$0.0785	1.00%	81.6
	3	$0.0715	1.25%	98.95

EnterSolarEDU provided an alternative proposal. After discussion with the Evaluation Team, it was decided not to evaluate the alternative proposal.

Economic merit, particularly regarding the magnitude of savings over the term, were specifically evaluated for each proposal. Gabel Associates performed a conservative modeling of the BOE's current electricity cost for each School, including both utility distribution tariff and third-party supply costs. The models include forecasting market changes over the 15-year term.

Through the "solar price to compare" modelling methodology, electricity costs are calculated for two scenarios. One is the business as usual scenario: if the BOE continue to use third party suppliers and continues to pay PSE&G for the distribution costs. The second scenario is the solar PPA: if the BOE purchases electricity from the PPA and the remaining amount from PSE&G. The economic analysis is performed by calculating the bills over the course of the 15-year term in each scenario and then subtracted the costs of the solar scenario from the business as usual scenario to calculate the estimated savings over the term. The Evaluation Team used the Net Present Value of the 15 years of savings from our comparison to determine the financial benefit. Net Present Value or NPV is a calculation that reflects a discounted value for savings received in the future under one of several scenario. The PPA rates proposed were used to calculate the potential savings.

The Evaluation Team used the Net Present Value of the 15 years of savings from our comparison to determine the points for the financial benefit category of the evaluation. The lowest PPA rate may not provide the most financial benefit because the PPA rate alone does not account for differences in proposed escalation factors and difference in system sizes and production. All proposals under the mandatory Option 1, the elective Option 2, and the alternative proposals provide savings, measured as the difference between the solar PPA rate and what it would cost to purchase the same electricity from the utility. Certain proposals received under elective Option 3 presented no or negative savings over the term.

The strongest ranked proposal under mandatory Option 1, from HESP Solar, provides savings of approximately $56,987 in the first two years and an approximate 15-yr Net Present Value of savings of $677,463.

The strongest ranked proposal under elective Option 2, from HESP Solar, provides savings of approximately $29,606 in the first two years and an approximate 15-yr Net Present Value of savings of $664,295.

The strongest ranked proposal under elective Option 3, from Onyx Renewable Partners, would increase costs by approximately $43,900 in the first two years, but provides an approximate 15-yr Net Present Value of savings of $1,072,912.

The Evaluation Team finds that the proposals deliver meaningful savings for the BOE, are competitive with current market practice, and deliver educational benefits that are significant. Based on an evaluation of price and other factors, including the varying levels of risk associated with Options 2 and 3 in comparison to Option 1, the Evaluation Team recommends that HESP Solar Proposal Option 1 be selected by the BOE as the Successful Respondent to the RFP, and that HESP Solar be awarded the PPA.

1. Overview of the RFP

On November 1, 2017, Elizabeth BOE issued an RFP for a PPA for the purchase, by the BOE, of electricity generated by photovoltaic solar systems to be financed, designed, installed, owned, operated and maintained by the Successful Respondent at multiple locations throughout the District. The BOE sought proposals for a mandatory "Option 1" as set forth in Article II of the RFP, which included roof-mounted solar arrays to be developed at Elizabeth High School and School 22 William F. Halloran School. The RFP also included two (2) elective proposal options. "Option 2" consisted of the roof-mounted systems required in "Option 1" with the inclusion of carport canopy-mounted systems in the parking lots of Elizabeth High School and School 28 Juan Pablo Duarte – Jose Julian Marti School. "Option 3" included the requirements contained in "Option 1" and "Option 2" along with potential roof-mounted system locations at School 7 Terence C. Reilly, School 50 France C. Smith Center for Early Childhood Education, Thomas A. Edison Career and Technical Academy, School 1&9 George Washington Academy & Jerome Dunne Academy, and School 30 Ronald Reagan Academy.

The Successful Respondent and the BOE will enter into a PPA for 15 years, the maximum duration permitted by State law, under which Elizabeth BOE will purchase the electricity produced from the Systems at a fixed rate per kWh. The PPA rate must be less than the local utility electric tariff in its initial year. It is anticipated that the Successful Respondent will finance the project through a combination of revenues derived from the sale to the BOE of the electrical output of the Systems, the sale of Solar Renewable Energy Certificates ("SRECs") in the competitive SREC market, federal tax benefits (i.e. both investment tax credits and accelerated depreciation) and investor capital. At the end of the PPA term, the BOE will have the following three options:

1. Have the Systems removed at the Successful Respondent's expense; or
2. Renegotiation of an extension to the PPA, if allowable by law; or
3. Purchase the Systems, by the BOE, at fair market value ("FMV").

Proposals were evaluated on the basis of price and non-price criteria, in accordance with competitive contracting provisions of the Public School Contracts Law, specifically, N.J.S.A. 18A:18A-4.1(k); LFN 2008-20, dated December 3, 2008, *Contracting for Renewable Energy Services*; BPU protocol for measuring energy savings in PPA agreements (*Public Entity Energy Efficiency and Renewable Energy Cost Savings Guidelines, dated February 20, 2009*); LFN 2009-10, dated June 12, 2009, *Contracting for Renewable Energy Services: Update on Power Purchase Agreements,* and all other applicable law. Components of the RFP are as follows:

a) Systems Sizes

A preliminary feasibility assessment was performed by the BOE's energy consultant, Gabel Associates, to identify the technical potential for solar systems at the Elizabeth BOE. Based upon this preliminary assessment, the Systems were estimated to have a total capacity of approximately 670 kW – 1.3MW – 2.7MW DC depending on the options selected. The preliminary system sizes were capped at no greater than 80% of the total onsite electricity usage. The cap was implemented to ensure that the Systems would not generate more electricity than

was needed in a given year. The RFP required that all proposals not exceed this annual generation cap.

The RFP provided Respondents with twelve (12) months of electric usage data and utility tariff information for the facilities included in the RFP, except for School 22 William F. Halloran which has not been in operation as a school for a full 12 months in this case the information available was shared with Respondents.

b) Pricing and Other Commercial Requirements

The RFP required the Respondents to propose a PPA Price, and an annual escalation rate, if any, for a mandatory Option 1 proposal. The RFP also included Options 2 and 3, which were not mandatory. Respondents were free (and encouraged) to provide other proposals that might offer additional value to the school.

In addition, all Respondents were required to provide a price adjustment factor to account for any unforeseen electrical interconnection costs and project development cost increases. These adjustment factors provide a controlled way for unforeseen cost changes to be handled after award, if required.

The RFP also contained specific standard terms that were to be included in the PPA agreement, as well as standard requirements for bonding, insurance, etc.

c) Technical Requirements

The RFP provided Technical Specifications as well as special site conditions as a preliminary guide for the Respondents' proposed System. These Exhibits were to be used as the minimum requirements to satisfy the RFP.

Proposals were required to include the following information about each Respondent:

- Proposal Option 1 - PPA Price Quotation
- Respondent Information/Cover Letter
- Consent of Surety
- Form of Construction Performance Bond
- Agreement for Proposal Security in Lieu of Proposal Bond
- Proposal Bond
- Ownership Disclosure Statement
- Statement of Respondent's Qualifications
- Acknowledgement of Receipt of Addenda
- Disclosure of Investment Activities in Iran
- Non-Collusion Affidavit
- Consent to Investigation
- Affirmative Action Compliance/Mandatory EEO Language
- Proposal Checklist

- Public Works Contractor Certificate (*N.J.S.A 34:11 56.51)*
- Notice of Classification (*RFP Section 4.14*)
- Total Amount of Uncompleted Contracts Form DPMC701 *(RFP Section 4.14)*
- Business Registration Certificate (*RFP Section 4.12)*

d) Evaluation Process

To evaluate proposals, the BOE organized an evaluation team comprised of: Mr. Luis Couto, Director of Plant, Property, and Equipment; Mr. Luis Milanes, Assistant Director of Plant, Property, and Equipment; Ryan J. Scerbo, Esq., of DeCotiis, FitzPatrick, Cole & Giblin, LLP, Board Counsel; and Andrew Conte and Bojan Mitrovic of Gabel Associates (collectively, "Evaluation Team"). The Evaluation Team developed the RFP, administered the procurement process (including site visits, RFP addenda, and written Q&A), determined legal completeness and technical compliance of the proposals received, conducted oral interviews with proposing teams, completed a detailed evaluation and proposal ranking, and drafted this consensus Evaluation Report for consideration by the BOE in making an award decision.

The following milestones summarize the RFP development and evaluation process:

- 11/01/17 – RFP Issued
- 11/09/17 – Pre-proposal Conference and Site Tours
- 11/07/17 – Formal Written Addendum No. 1 & Q&A Issued
- 11/16/17 – Formal Written Addendum No. 2 & Q&A Issued
- 11/17/17 – Formal Written Addendum No. 3 & Q&A Issued
- 12/07/17 – Formal Written Addendum No. 4 & Q&A Issued
- 12/15/17 – Proposals Received
- 1/30/18 & 1/31/18 – Oral Interviews with Compliant Respondents
- 2/02/18 – Meeting of Evaluation Team to Rank Proposals
- 2/13/18 – Evaluation Report Issued

2. Responses to the RFP

Elizabeth BOE received and evaluated six (6) compliant proposals, which provided all required documentation, in response to the RFP as outlined in Table 2. Each Respondent consisted of a team made up of, at a minimum, a project developer (typically the PPA Provider) and an Engineering, Procurement and Construction ("EPC") company. Under this structure, the PPA Provider is responsible for the financing, design, permitting, acquisition, construction, installation, operation and maintenance of the Systems. To accomplish this task, the PPA Provider will contract with an EPC to complete the required engineering and construction work. Table 3 provides an overview of the proposals that were submitted to the Elizabeth BOE.

Table 2: Overview of Respondent Teams

PPA Provider	EPC
Spano Partners Holdings (Spano)	Advanced Solar Products (ASP)
Altus Power America (Altus)	Dobtol Construction (Dobtol)
General Electric (GE)	EnterSolarEDU (EnterSolar)
Summit Water Capital Advisors (Summit)	Ferreira Construction Co (Ferreira)
HESP Solar (HESP)	HESP Construction (HESP)
Onyx Renewable Partners (Onyx)	Onyx Development Group (Onyx)

Table 3: Overview of Received Proposals

Respondent	Option	PPA Rate ($/kWH)	Escalation Rate	System Size (kW)
ASP/Spano	1	$0.0425	1.50%	1,009.47
	2	$0.0835		2,034.12
Altus/Dobtol	1	$0.0665	2.00%	1,320.12
	2	$0.0770		2,191.12
	3	$0.0663		4,295.16
Enter Solar EDU	1	$0.0649	1.90%	1,107.00
	2	$0.0899		2,626
	3	$0.0899		2,856
Ferreira	1	$0.0775	2.00%	1,647
HESP Solar	1	$0.0480	1.90%	1,376.18
	2	$0.0590	2.00%	1,977.17
	3	$0.1050		4,121.51
Onyx	1	$0.0650	1.25%	1,779.90
	2	$0.0785	1.00%	2,508.08
	3	$0.0715	1.25%	4,917

Attachment 1 is a detailed summary of the key information from the proposal submitted by each responsive proposing team.

3. Decision Making Strategy and Proposal Evaluation Matrix

Evaluation of the proposals was based on point-ranking in a variety of categories, including financial benefits, technical design factors, Respondent experience, commercial factors, and other factors. The full Evaluation Team developed a consensus ranking of each proposal within each evaluation category, leading to an overall score for each proposal between 0 and 100. The proposal with the highest score in each Option represents the strongest weighted-balance of all factors considered.

Economic merit, as determined by projected net savings realized by the project, was a dominant factor in the evaluation. As allowed by Competitive Contracting law, it is not the only factor considered in the evaluation. Other considerations, such as risk, design merit, and experience, as well as educational value, are also part of the evaluation. The strongest ranked proposal under each Option is based on a combination of relative economic strength along with these other factors.

The Evaluation Matrix used for proposal ranking, which was also included in the RFP, is as follows:

Category	Evaluation Factor	WEIGHTING
Financial Benefits	NPV of Benefits	**50**
Technical Design / Approach	Design Strategy	**10**
	O&M Plan and Approach	**5**
	Project Management Approach	**5**
Respondent's Experience	Contractor Expertise	**5**
	Project Experience	**4**
	Financial Capability	**3**
Commercial Factors	Type of Production Guarantee	**2**
	PPA Adjustment Factors	**4**
	Schedule	**2**
	Commercial Term in PPA	**6**
Educational Value	Educational Materials	4
Total Proposal		**100**

The Evaluation Matrix scoring for each proposal Option and alternatives are provided in **Attachment 2**. The following sections of this Evaluation Report provide a review of the evaluation criteria for each Respondent and its associated proposal.

4. Evaluation: Financial Benefits

Elizabeth BOE realizes economic benefits from the installation of solar projects through the energy costs savings generated by purchasing electricity from the solar projects through a PPA at a cost lower than the cost of electricity that would otherwise be delivered by and/or purchased from the local electric utility (otherwise referred to as 'grid-sourced' electricity).

To calculate the potential energy cost savings for the BOE, Gabel Associates prepared a forecast of grid-sourced electricity (the sum of forecasted delivery rates under the local utility tariff rates for Public Service Electric and Gas ("PSE&G") and the forecasted cost of grid-sourced power supply (considering both third party supplier rates and Basic Generation Service ("BGS" or default service) rates) and compared it to the rates proposed by each Respondent. The difference between the forecasted cost of grid-sourced electricity (considering only those cost components that are offset as a result of purchasing solar energy from the Successful Respondent) and the PPA rate is multiplied by the guaranteed solar output to yield the projected savings in energy costs realized over the PPA term.

As noted above, many of the schools included in the solar project (Elizabeth High School, Thomas Edison, and School Numbers 1, 7, 27, 28, 30, 50) currently purchase electricity through a third-party supplier (Constellation NewEnergy, Inc.). This contract is expected to expire prior to the installation of the System. Once the solar project is in service, it may be prudent to review continued participation with third party supply for these particular electric accounts and consider a transition of these accounts back to default supply (known as BGS) at the end of the BOE's current contract commitment. Third party suppliers typically do not provide net metering the same as the regulated utilities do, if at all, and in the case that a third party supplied does provide some mechanism for net metering historically it has been a lower, wholesale rate instead of the full retail rate for electricity. While the cost benefit analysis suggests that this would be the best course of action for the BOE to maximize savings from net metering, the final decision can be made as the project nears commercial operation.

The economic analysis of approximate savings was performed by comparing forecasted BGS supply costs for electricity after the installation of solar to forecasted third party supply costs for electricity in the business as usual scenario, without solar. This method is used to maximize savings potential and capture net metering savings. Remaining on a third party supply contract or a lower supply rate may result in a decrease in savings.

The Gabel Associates' forecast of the local utility distribution tariff rates and the cost of grid-sourced power is the result of a detailed analysis of the delivery tariff and the market costs for power supply, by component, over the term of the PPA. The BOE currently procures electricity from a competitive third party electric supplier, and Gabel Associates has also considered this when conducting the analysis of the total cost of grid sourced power. This detailed analysis takes into account the following factors:

1. The components of the utility delivery tariff rate that are not avoided as a result of the solar installation. For example, the customer charge and the major portion of the demand charges are not avoided through the purchase of solar energy generated by the System.

2. The components of grid-sourced power supply costs that are only partially avoided by a solar installation; for example, peak capacity and transmission obligations.

3. The most recent energy market fundamentals (i.e., New York Mercantile Exchange ("NYMEX") futures, Energy Information Administration ("EIA") long term escalation rates, and environmental and Renewable Portfolio Standard ("RPS") programs such as the SREC program) are incorporated to provide the best indication of future energy market prices.

4. The expiration date of the current third party supplier ACES contract and future third party supply rate trends. Third party supply rates after the expiration of the Constellation NewEnergy contract were calculated as a discount from BGS rates to conservatively estimate the potential savings from a third party supplier contract (as compared to BGS). The third party supply rate discount in our analysis reflects an expectation of a diminishing disparity between the two rates over time.

5. The impact of future energy costs as a result of national, state, and regional environmental initiatives.

6. The impact that general energy market escalations will have upon long-term energy prices. (The PSE&G Transmission charge is expected to increase, which will increase savings. However, the amount of increase cannot be quantified at this time)

7. The proposed system size and guaranteed production values for each facility and proposal option. A number of Respondents included conceptual layouts for systems located on the roof of School 28 Juan Pablo Duarte – Jose Julian Marti within their Option 2 & 3 submissions. This area was not included in the RFP, as such the capacity and production associated with the systems designed for the roofs at School 28 were removed from the evaluation. The savings values for Options 2 & 3 that follows are reflective of this clarification to those proposals.

All System designs were limited to no more than 80% displacement of the historic energy usage associated with each utility account, as per guidelines provided in the RFP. All Proposal Options were evaluated based on the Net Present Value ("NPV") of benefits, which is a widely adopted methodology that recognizes the time value of money and the opportunity cost of capital, to the BOE. To calculate the NPV benefits provided by each proposal, Gabel Associates utilized the amount of electricity each Respondent's proposed System would generate (i.e., based on the guaranteed solar production during the term of the PPA) multiplied by the per-kwhr savings (difference between the solar PPA rate and the average cost of grid-sourced power avoided by on-site solar generation – otherwise referred to as the 'solar price-to-compare'). All savings in future years are discounted back to present value using a 5% discount rate, consistent with standard accounting practices for NPV calculations. Note that NPV is a function not just of the first year PPA rate and the annual escalator, but also of the size of the System and the fraction of the utility purchase displaced by solar generation (taking into account the solar production guarantee in each proposal).

Gabel Associates' economic evaluation, based on the sources and factors listed above, utilized current utility tariff prices and current energy market conditions and applied assumed annual escalation rates for different portions of the distribution tariff and grid-sourced power supply (third party supply) components, in order to compare each of the PPA pricing proposals to electricity costs under a 'non-solar' electricity price scenario. All proposals were benchmarked against the same 'non-solar' electricity price scenario. In preparation of the forecast of the future prices for grid-sourced electricity, the annual escalation rates applied to the various cost components range conservatively from a low of 0.0% (flat) to as high as 5.0%. The economic evaluation considered first-year and annual nominal (non-discounted) savings, as well as NPV savings over the full 15-year term. Please see Attachment 3 for a summary of the economic analysis results.

Certain proposals and proposal options do not provide every school with savings every year of the PPA term. This specifically pertains to the first few years of operation. There are three reasons for this result. The first reason is, unfortunately, certain proposals PPA rates are higher than the currently and/or forecasted cost over the term.. The second reason is that whether electricity is purchased from a third-party supplier or the utility (BGS), there are certain components of the total cost, that are based on the demand (kW) during the previous 12 months. .Specifically, capacity and transmission values and charges are calculated based on the prior 12-month's usage. The reduction in demand from the operation of the systems in year one will be reflected in the capacity and transmission charges in year two of operation, and the associated savings will be realized until year two of operation. The third reason is that third-party supply electricity costs are expected to increase over the term which causes greater savings after year one.

The results of the economic analysis and estimated savings values used to calculate each Respondent's score in this category and are shown in Attachment 3. The Evaluation Matrix contains 50 points for Financial Benefits, which are awarded proportionally based on 15-year NPV. The proposal with the highest NPV is awarded the full 50 points for economic merit, and the remaining projects within the group are awarded points in proportion to their savings NPV relative to the best proposal in the group. Proposal options which resulted in negative savings received 0.00 points.

Within the group of Option 1 proposals received, HESP has the highest NPV and was awarded the full 50.00 points. ASP has the second best NPV with 40.50 points, followed by Onyx with 37.25 points, Dobtol with 25.11 points, Enter Solar EDU with 20.08 points, and Ferreira with 11.77 points.

For Option 2, HESP has the highest NPV and was awarded the full 50.00 points, followed by Onyx with 32.60 points, Dobtol with 21.74 points, ASP with 8.89 points, and Enter Solar EDU with 0.00 points.

Within the Option 3 proposals, Dobtol has the highest NPV and received the full 50.00 points. Onyx had the second highest NPV and received 49.95 points, followed by Enter Solar EDU with 0.00 points, and HESP with 0.00 points.

5. Evaluation: Technical Design & Approach

The evaluation of the technical design/approach has several criteria including:

- Design Strategy
- O&M Plan and Approach
- Project Management Approach

Each of these areas will be discussed, reviewed, and rated for each of the respondents' proposals.

a) Design Strategy

The design strategy in each of the proposals were evaluated based on reviewing the preliminary System layout, sizing and production as well as the major System components. The following section provides an explanation of the review of the solar system layout, sizing and production. This section includes a table for each Respondent along with an overview of the System components that are utilized in each Respondent's preliminary solar design and each component's compliance with the technical specifications in the RFP contained in Appendix B and C.

A number of Respondents included conceptual layouts for systems located on the roof of School 28 Juan Pablo Duarte – Jose Julian Marti with their Option 2 & 3 submissions. This area was not included in the RFP, as such the capacity and production associated with the systems designed for the roofs at School 28 were removed from the evaluation. The sizes and production values for Options 2 & 3 shown in the section that follows are reflective of this clarification to the proposals. All Respondents that made this mistake were asked to clarify their proposals and all respondents provided the necessary information. As such no points were withheld for this adjustment.

ASP/Spano:

The Evaluation Team compared the total system size for Option 1 of 1,009.47 kW DC and Option 2 of 2,034.12 kW DC of ASP/Spano's proposed systems with the conceptual site plan layouts that were provided as part of the RFP. The majority of the layouts proposed by ASP/Spano were consistent with the layouts provided in the RFP. Based on clarification from ASP/Spano, the Option 2 system size and production was adjusted to remove the capacity and production associated with the arrays included on School 28 roof (the roof of School 28 was not included in the RFP).

The ASP/Spano's proposed Option 1 System has a guaranteed output of 1,275,105 kWh and Option 2 System has a guaranteed output of 2,210,393 kWh , all of which represents 90% of their respective expected total system output. ASP/Spano used PVWatts for their production estimates, below is a summary of the estimated production in their proposal.

Proposal Option	Total System Size: (kW DC)	Expected Total System Output: (kWh)	Guaranteed Total System Output: (kWh)
Option 1	1,009.47	1,275,105	1,147,595
Option 2	2,034.12	2,442,344	2,198,111

ASP/Spano's proposed equipment from the proposal and compliance to specifications are as follows:

Advanced Solar Products/Spano: Major System Components

System Component	Manufacturer	Compliance with Project Technical Specifications
PV Modules	LONGi Solar – LONGi LR6-72 – 345W	Yes
Inverters	Sun Grow – SG36KU-M and 60KU-M - String Inverters	Yes
Racking System	Roof Array – Panel Claw – Polar Bear III Canopy – Solaire – Long Span Canopy	Yes
DAS	Deck Monitoring	Yes

ASP/Spano confirmed the use of Tier 1 materials, either those listed above or equivalent. ASP/Spano provided design strategies and equipment selection in compliance with the RFP and as such the ASP/Spano team was awarded the maximum ten (10) points for this category for both Options 1 & 2.

Altus/Dobtol:

The Evaluation Team compared the total system size for Option 1 of 1,320.12 kW DC, Option 2 of 2,191.32 kW DC, Option 3 of 4,295.16 kW DC, of HESP Solar's proposed systems with the conceptual site plan layouts that were provided as part of the RFP. The majority of the layouts proposed by Altus/Dobtol were consistent with the layouts provided in the RFP. Based on clarification from Altus/Dobtol, the Options 2 & 3 system sizes and production were adjusted to remove the capacity and production associated with the arrays included on School 28 roof (the roof of School 28 was not included in the RFP).

The Altus/Dobtol proposed Option 1 system has a guaranteed output of 1,376,978 kWh, Option 2 System has a guaranteed output of 2,285,676 kWh, Option 3 System has a guaranteed output of 4,487,155 kWh, all of which represents 90% of their respective expected total system output. Altus/Dobtol used PVwatts for their production estimates, below is a summary of the estimated production in their proposal.

Proposal Option	Total System Size: (kW DC)	Expected Total System Output: (kWh)	Guaranteed Total System Output: (kWh)
Option 1	1,320.12	1,529,975	1,376,978
Option 2	2,381.04	2,759,999	2,484,000
Option 3	4,484.88	5,206,087	4,685,479

Altus/Dobtol' proposed equipment from the proposal and compliance to specifications are as follows:

Altus/Dobtol: Major System Components

System Component	Manufacturer	Compliance with Project Technical Specifications
PV Modules	Trina – TSM-DD14A(II) – 340W	Yes
Inverters	SMA – Sunny Tripower - String Inverters	Yes
Racking System	Roof Array – Genmounts – LT Canopy – MPP Engineering Custom Design	Yes
DAS	Also Energy	Yes

Altus/Dobtol confirmed the use of Tier 1 materials, either those listed above or equivalent, for PV modules, inverters, roof mounted racking systems and DAS. The canopy structure will be built to suit for this project and cannot be verified that it will be a Tier 1 product. The Altus/Dobtol team was awarded the maximum ten (10) points for this category in Option 1, and, due to the canopy structure, Altus/Dobtol was awarded nine (9) out of a possible ten (10) points for this category in Options 2 & 3.

EnterSolar/GE:

The Evaluation Team compared the total system size for Option 1 of 1,107 kW DC, Option 2 of 2,626 kW DC, and Option 3 of 2,856 kW DC. EnterSolar/GE's proposed systems with the conceptual site plan layouts that were provided as part of the RFP. The Option 1 layouts proposed by EnterSolar/GE were consistent with the layouts provided in the RFP. Option 2 & 3 layouts included canopies at the Elizabeth High School that extend on to Union County property, which was not included in the RFP. This type of canopy would require penetrations on and disturbance to County property.

The output of EnterSolar/GE's proposed Option 1 system has a guaranteed output of 1,174,600 kWh, Option 2 System has a guaranteed output of 2,843,400 kWh, Option 3 System has a guaranteed output of 3,084,520 kWh, and the Alt. Option System has a guaranteed output of 1,415,700 kWh, all of which represents 90% of their respective expected total system output. EnterSolar/GE provided HelioScope calculations for the Systems substantiating the production calculations, below is a summary of the estimated production provided in their proposal.

Proposal Option	Total System Size (kW DC)	Expected Total System Output (kWh)	Guaranteed Total System Output (kWh)
Option 1	1,107	1,305,100	1,174,600
Option 2	2,626	3,159,300	2,843,400
Option 3	2,856	3,427,200	3,084,520
Alt. Option	1,337	1,573,000	1,415,700

EnterSolar/GE's proposed equipment from the proposal and compliance to specifications are as follows:

EnterSolarEDU/GE: Major System Components

System Component	Manufacturer	Compliance with Project Technical Specifications
PV Modules	LG Electronics – LG400N2W-A5 – 400W Hanwha – Q.Plus L-/G4.2 330-340 – 340W	Yes
Inverters	SolarEdge – String Inverters – 33.3kW Solectria – String Inverters – 36kW	Yes
Racking System	Panel Claw	Yes
DAS	Locus	Yes

EnterSolar/GE confirmed the use of Tier 1 materials, either those listed above or equivalent. EnterSolar/GE provided design strategies and equipment selection in compliance with the RFP and as such EnterSolar/GE was awarded the maximum ten (10) points for this category in Option 1. Due to the extension of the canopy at the Elizabeth High School extending on to County property, EnterSolar/GE was awarded eight (8) out of a possible ten (10) points for Options 2 & 3.

Ferreira/Summit Water Capital Advisors:

The Evaluation Team compared the total system size for Option 1 of 1,645.92 kW DC of Ferreira/Summit Water Capital Advisors' proposed systems with the conceptual site plan layouts that were provided as part of the RFP. The layouts proposed by Ferreira/Summit Water Capital Advisors were consistent with the layouts provided in the RFP.

The output of Ferreira/Summit Water Capital Advisors' proposed Option 1 system has a guaranteed output of 1,850,405 kWh, which represents 90% of the expected total system output. Ferreira/Summit Water Capital Advisors provided the PVSyst calculations for the Systems substantiating the production calculations, below is a summary of the estimated production in their proposal.

Proposal Option	Total System Size (kW DC)	Expected Total System Output (kWh)	Guaranteed Total System Output (kWh)
Option 1	1,645.92	2,056,046	1,850,405

Ferreira/Summit Water Capital Advisors's proposed equipment from the proposal and compliance to specifications are as follows:

Ferreira/Summit Water Capital Advisors: Major System Components

System Component	Manufacturer	Compliance with Project Technical Specifications
PV Modules	S-Energy – 360W	Yes
Inverters	SMA – String Inverters	Yes
Racking System	Solar Mounting Solutions	Yes
DAS	Locus	Yes

Ferreira/Summit Water Capital Advisors confirmed the use of Tier 1 materials, either those listed above or equivalent. Ferreira/Summit Water Capital Advisors provided design strategies and equipment selection in compliance with the RFP and as such Ferreira/Summit Water Capital Advisors was awarded the maximum ten (10) points for this category.

HESP Solar:

The Evaluation Team compared the total system size for Option 1 of 1,376.18 kW DC, Option 2 of 2,626 kW DC, Option 3 of 4,121.51 kW DC, of HESP Solar's proposed systems with the conceptual site plan layouts that were provided as part of the RFP. The layouts proposed by HESP Solar for Option 1 included panels covering walkways and islanding rooftop HVAC equipment. The layouts proposed by HESP Solar for Options 2 & 3 include these same types of errors. This error is more impactful on Option 1 due to the small number of sites and equipment.

The output of HESP Solar's proposed Option 1 system has a guaranteed output of 1,441,991 kWh, Option 2 System has a guaranteed output of 2,049,492 kWh, Option 3 System has a guaranteed output of 4,290,685 kWh, all of which represents 90% of their respective expected total system output. HESP Solar provided the PVWatts calculations for the Systems substantiating the production calculations, below is a summary of the estimated production in their proposal.

Proposal Option	Total System Size (kW DC)	Expected Total System Output (kWh)	Guaranteed Total System Output (kWh)
Option 1	1,376.18	1,602,213	1,441,991
Option 2	2,082.695	2,404,019	2,163,616
Option 3	4,227.03	4,894,101	4,404,690

HESP Solar's proposed equipment from the proposal and compliance to specifications are as follows:

HESP Solar: Major System Components

System Component	Manufacturer	Compliance with Project Technical Specifications
PV Modules	QCells – Q.Plus L-G4.2 320-340 – 335W	Yes
Inverters	Solectria – SGXXKU-M – String Inverters	Yes
Racking System	Patriot Solar	Yes
DAS	Locus	Yes

HESP Solar confirmed the use of Tier 1 materials, either those listed above or equivalent, and their equipment selection is in compliance with the RFP. HESP Solar provided designs did not leave sufficient room for access to rooftop equipment and left out areas that the Evaluation Team considered usable especially at Elizabeth High School. This discrepancy was most impactful to Option 1 and less prevalent in the additional system designs in Options 2 & 3. As such HESP Solar was awarded, eight (8) out of ten (10) possible points in Option 1 and nine (9) out of ten (10) possible points for Options 2 & 3 .

Onyx:

The Evaluation Team compared the total system size for Option 1 of 1,779.9 kW DC, Option 2 of 2,748.0 kW DC, Option 3 of 5,084.2 kW DC, of Onyx 's proposed systems with the conceptual site plan layouts that were provided as part of the RFP. The majority of the layouts proposed by Onyx were consistent with the layouts provided in the RFP. Based on clarification from Onyx, the Options 2 & 3 system sizes and production were adjusted to remove the capacity and production associated with the arrays included on School 28 roof (the roof of School 28 was not included in the RFP). Onyx's layouts included panels covering walkways and islanding rooftop HVAC equipment.

The output of Onyx 's proposed Option 1 system has a guaranteed output of 2,018,355 kWh, Option 2 System has a guaranteed output of 2,281,113 kWh, Option 3 System has a guaranteed output of 5,385,188 kWh, all of which represents 90% of their respective expected total system output. Onyx provided the PVWatts calculations for the Systems substantiating the production calculations, below is a summary of the estimated production in their proposal.

Proposal Option	Total System Size (kW DC)	Expected Total System Output (kWh)	Guaranteed Total System Output (kWh)
Option 1	1,779.9	2,242,617	2,018,355
Option 2	2,748.0	2,534,570	2,281,113
Option 3	5,084.2	5,983,542	5,385,188

Onyx 's proposed equipment from the proposal and compliance to specifications are as follows:

Onyx : Major System Components

System Component	Manufacturer	Compliance with Project Technical Specifications
PV Modules	Trina – TSM-DD14A(II) – 340W	Yes
Inverters	Chint – CPS SCAX0KTL-DO/US-480 – String Inverters	Yes
Racking System	Aerocompact	Yes
DAS	Campbell Laboratories – Onyx's own system	Yes

Onyx confirmed the use of Tier 1 materials, either those listed above or equivalent, and the equipment selection is in compliance with the RFP. Onyx provided designs did not leave sufficient room for access to rooftop equipment. and as such Onyx was awarded the nine (9) of the maximum ten (10) points for this category.

b) Operations and Maintenance Plan and Approach

ASP/Spano:

ASP will provide operations and maintenance service for Spano. Maintenance response time for normal calls is within 24 hours and emergency maintenance response is within 4 hours of a call. They are expecting to have a couple of site inspection the first year, then going to an annual site inspection for the remainder of the term. Spano may consider other operations and maintenance providers but will ensure similar requirements and safety standards. In comparison to the other Respondents, ASP proposed the least frequent site visits. The ASP/Spano team was awarded three (3) out of the five (5) points for this category.

Altus/Dobtol:

Altus/Dobtol indicated that QE Solar located in Cranford, NJ will be the operations and maintenance provider for this project. Altus/Dobtol indicated that normal response times would be in the 24 to 48 hour range while the response time for emergency calls would be 2 to 4 hours. Altus/Dobtol anticipates a minimum of two service inspections per year. This is a typical O&M plan, but in comparison to the other Respondents, Altus/Dobtol offered the second most frequent site visits. Altus was awarded the four (4) out of five (5) possible points for this category.

EnterSolar/GE:

EnterSolar/GE indicated that they will be self-performing the operation and maintenance for this project. They will be using their real-time monitoring system to track key performance indicators and will respond quickly in the event of a component failure. EnterSolar/GE indicated that normal response times would be in the next day while the response time for emergency calls

would be 24 hours. EnterSolar/GE proposed quarterly O&M site visits and one preventative maintenance service inspection per year. EnterSolar/GE offered the most frequent O&M site visits, EnterSolar/GE was awarded the full five (5) points for this category.

Ferreira/Summit Water Capital Advisors:

Ferreira/Summit Water Capital Advisors indicated that they will be self-performing the operation and maintenance for this project. They will be using their real-time monitoring system to track key performance indicators and will respond quickly in the event of a component failure. Ferreira/Summit Water Capital Advisors indicated that normal response times would be in the next day while the response time for emergency calls would be 1 to 5 hours. Ferreira/Summit Water Capital Advisors anticipates a minimum of two service inspections per year. This is a typical O&M plan, but in comparison to the other Respondents, Ferreira/Summit Water Capital Advisors offered the second most frequent site visits. Ferreira/Summit Water Capital Advisors was awarded the four (4) out of five (5) possible points for this category.

HESP Solar:

HESP indicated that they will be self-performing the operation and maintenance for this project. They will be using their real-time monitoring system to track key performance indicators and will respond quickly in the event of a component failure. HESP indicated that normal response times would be in the next day while the response time for emergency calls would be 1 to 5 hours. HESP anticipates a minimum of two service inspections per year. This is a typical O&M plan, but in comparison to the other Respondents, HESP offered the second most frequent site visits. HESP was awarded the four (4) out of five (5) possible points for this category.

Onyx:

Onyx indicated that they will be self-performing the operation and maintenance for this project. They will be using their real-time monitoring system to track key performance indicators and will respond quickly in the event of a component failure. Onyx indicated that normal response times would be in the next day while the response time for emergency calls would be 1 to 5 hours. Onyx proposed quarterly O&M site visits and one preventative maintenance service inspection per year. In comparison to the other Respondents, Onyx offered the most frequent O&M site visits; therefore Onyx was awarded the full five (5) points for this category.

c) Project Management Approach

All of the Respondents are capable firms and have provided evidence of an acceptable project management approach. Most Respondents' proposals are inclusive of multiple layers of oversight and regular communications of plans, progress, and impediments. The Evaluation Team's scoring in this category is reflective of the information included in each proposal, as well as the additional information and impressions collected during the in-person interviews.
Onyx's proposal and responses to interview questions inspired the most confidence in their ability to complete the project successfully. Onyx's construction project manager was present at

the interview and has been involved since the RFP site tours. The project manager from Onyx will remain with the project through construction as the on-site project manager and into operation, coordinating with Elizabeth BOE and Onyx's sub-contractors to plan the construction and hold regular progress meetings. Onyx was awarded five (5) points, the maximum for this category.

ASP/Spano and EnterSolar/GE offered similar project management approaches. Both ASP/Spano and EnterSolar/GE proposed full-time, on-site project managers, but different stages of the project and different portions of construction (roof & canopies) would have different project managers. Both ASP/Spano and EnterSolar/GE anticipate working closely with Elizabeth BOE to plan and perform construction activities and provide regular progress meetings. ASP/Spano and EnterSolar/GE were awarded four (4) out of a possible five (5) points due to an expectation of multiple hand-offs between project managers and the potential for miscommunications impacting the project.

HESP, Altus/Dobtol, and Ferreira proposals included on-site foremen overseen by project managers that may be remote for the construction. HESP did note that those in attendance for the interview would be responsible for the successful completion of the project. HESP, Altus/Dobtol, and Ferreira anticipate working closely with Elizabeth BOE to plan and perform construction activities and provide regular progress meetings. HESP, Altus/Dobtol, and Ferreira were awarded three (3) out of a possible five (5) points in the is category due to a concern over not having a dedicated full-time, on-site project manager.

6. Evaluation: Respondent's Experience

Each Respondent was evaluated on experience, which includes the following categories:

- Contractor Experience
- Project Expertise
- Financial Capability

a) Contractor Experience

The Contractor Experience category focuses specifically on the project team's EPC firm and it's likely subcontractors, and their experience with solar work in New Jersey, and specifically work with public schools.

ASP/Spano:

ASP was indicated by the ASP/Spano's team as their EPC contractor. ASP is one of the oldest New Jersey-based solar EPC companies in continual operation. It has extensive solar industry experience that includes installation of over 250 solar systems throughout the country -- with 90% of them in New Jersey. All project development, including design and procurement, will be done in-house or by engaging subcontractors. All electrical work will be completed by ASP's subcontractor, Lighton Industries. Lighton Industries has been in business since 1980, and has fifteen (15) years of experience performing solar electrical work. Furthermore, ASP/Spano will contract with French and Parrello Associates ("FPA") to handle all local and environmental permitting efforts. FPA has been in business since the 1970's and worked with both ASP and Lighton Industries in the past including ASP's most recent school projects.

Based on extensive solar experience of the contractors, the ASP/Spano team was awarded five (5) out of five (5) points, the maximum number of points for the category.

Altus/Dobtol:

Dobtol Construction LLC was indicated as the EPC contractor that will provide engineering, construction and operations and maintenance for the project. Dobtol is a well-established contractor with a large number of both commercial and public solar installations. Recent projects that include school installations are:

- Woodbury School District, Woodbury, NJ (3 Schools)
- Vernon School District, Vernon, NJ (2 Schools)
- Union Beach School District, Memorial School, Union Beach, NJ
- Central Regional School District, Bayville, NJ (2 Schools)

Based on Dobtol's prior experience and track record and in comparison to the other Respondents, the Altus/Dobtol team was awarded four (4) out of five (5) possible points for the

category. While Dobtol does have significant experience with construction solar projects in New Jersey, other Respondents have more.

Ferreira/Summit Water Capital Advisors:

Ferreira Construction and Vanguard will serve as the EPC for the project, has been developing renewable energy projects since 2007. Ferreira has designed and installed over 105 MW of solar projects, which also includes projects developed for local government and public schools customers. One of the recent relevant projects is an 8 MW system completed at Somerset County Improvement Authority where 34 arrays were installed across 14 local municipalities and school districts. Given an extensive experience and track record working on solar renewable projects, the Ferreira/Summit team was awarded five (5) out of five (5) points, the maximum number of points for the category.

EnterSolar/GE:

EnterSolar/GE's team indicated EnterSolar is going to be the EPC contractor for this project. EnterSolar has significant experience in New York and New Jersey solar industries, which includes numerous large rooftop & ground-mounted commercial installations both behind the meter and utility connected. EnterSolar's chosen engineer for this project, Stantec, has completed over 100 MW of solar projects in New Jersey. EnterSolar stated that Conti Construction would be the construction firm for this project. Conti Construction has demonstrated experience in New Jersey's solar market building utility connected and large behind the meter projects. EnterSolar does not have any direct experience with solar projects on New Jersey public schools. Based on extensive solar experience of the chosen sub-contractors, Enter Solar/GE team was awarded four (4) out of five (5) possible points for the category.

HESP Solar:

HESP Construction, a wholly owned subsidiary of HESP Solar, will serve as the EPC and project manager, overseeing all engineering, procurement and construction work as well as providing operations and maintenance activities. As indicated in the proposal, electrical work will be done by Metrix Electric, an electrical contractor based in New Jersey. HESP's personnel has extensive solar industry experience, both in the commercial and public sector. As per its proposal, it has built over 100 projects[1] totaling 30 MW of power capacity, but this value is inclusive of projects completed by the HESP team under different companies. HESP Solar and more so HESP Construction as companies have limited history of project experience, and while capable of delivering successful New Jersey public school projects, HESP has less experience when compared to the other Respondents. HESP was awarded three (3) out of the five (5) possible points for this category.

[11] This includes projects developed as both HESP Solar LLC and Hudson Energy Corp.

Onyx:

Onyx indicated during the interview that it will serve as the EPC contractor. Onyx's proposal indicated that Miller Brothers would be the electrical contractor. Miller Brothers and Onyx have extensive experience with solar projects including projects for New Jersey public entities. Miller Brothers has completed over 300 MW of solar installations. Onyx has completed New Jersey school district projects and are capable of delivering the project. Onyx was awarded five (5) out of the five (5) points, the maximum number of points for this category.

b) Project Experience

The Project Experience category focuses on the assembled teams experience in developing, procuring and installing solar.

ASP/Spano:

The ASP/Spano team has extensive experience with developing, constructing, and operating public school solar projects in the state of New Jersey as well as solar projects in other states. ASP/Spano has completed several school installations in New Jersey, an extensive list of their completed projects was included in their Proposal. The ASP/Spano team's projects include:

- Toms River School District, Toms River, NJ (7 Schools)
- Lawrenceville Prep School, Lawrenceville, NJ
- Franklin School District, NJ (Hunterdon County) (1 School)
- Raritan Center, Edison, NJ
- Evesham Township School District, Evesham (Marlton), NJ
- Costco, Manahawkin, NJ

ASP/Spano was awarded four (4) points, the maximum points for this category.

Altus/Dobtol:

Altus/Dobtol team has experience with developing, constructing, and operating solar projects in the state of New Jersey along with having solar projects in other states. The Altus/Dobtol team has completed public school projects in New Jersey. Some of the Altus/Dobtol projects include:

- Woodbridge Township Board of Education (9 Schools)
- East Windsor Township
- Pennsauken Board of Education (as a sub)
- New Brunswick Board of Education (3 Schools)
- Monmouth County (4 sites)
- Central Regional School District (2 Schools)
- Union Beach Board of Education (1 School)

In comparison to the other Respondents, Altus/Dobtol has significant experience but not as much as other respondents. Altus/Dobtol was awarded three (3) out of four (4) possible points for this category.

Ferreira/Summit Waters Capital Advisors:

Ferreira Construction and their subsidiary, Vanguard Energy Partners, has developed over 105 MW renewable energy projects since 2007 including a large county aggregation project encompassing multiple municipalities and school districts. Ferreira projects include projects developed for local government and public school customers. Summit Water Capital Advisors has limited experience with renewable energy projects on schools in New Jersey, but does have extensive experience financing renewable energy and infrastructure projects. Given the Team's collective experience, the Ferreira/Summit team was awarded four (4) out of four (4) points, the maximum number of points for the category.

EnterSolar/GE:

EnterSolar and GE have significant experience financing and constructing solar renewable energy projects in New York, New Jersey, Connecticut, and Massachusetts. The majority of GE's experience with solar has been with behind the meter projects on GE facilities. EnterSolar and EnterSolarEDU have experience building large commercial rooftop and ground mounted solar projects as well as virtual net metered projects for higher education institutions. Neither group has demonstrable experience developing solar projects for public entities in New Jersey, specifically, neither group has experience in New Jersey with public schools. Based on this experience and in comparison to other Respondents, EnterSolar/GE was awarded two (2) out of a possible four (4) points in this category.

HESP Solar:

HESP Solar has experience with developing, constructing, and operating public school solar projects in the state of New Jersey as well as solar projects in other states. HESP Solar has completed several school installations in New Jersey, an extensive list of their completed projects was included in their Proposal. HESP Solar projects include:

- South Brunswick School District, South Brunswick, NJ (14 Schools)
- Stafford School District, Stafford, NJ (5 Schools)
- Jackson Landfill, Jackson NJ
- Tenafly School District, Tenafly, NJ (3 Schools)
- Plumsted School District, New Egypt, NJ (2 Schools)

HESP has significant experience but in comparison to the other Respondents, HESP was not the most experienced. HESP was awarded three (3) out of four (4) possible points for this category.

Onyx:

Onyx has extensive experience developing projects for public school districts. The majority of that experience is with California school districts. Onyx has completed projects on New Jersey public schools with New Brunswick Board of Education and the South Hunterdon Regional Energy Cooperative. Onyx has completed several large, commercial projects for private clients in New Jersey. Given this experience, Onyx was awarded four (4) out of four (4) points, the maximum number of points for the category.

c) Financial Capability

In order to determine the financial capability of the Respondents, the Evaluation Team took into account whether the Respondent has sufficient financial resources to meet its obligations, whether the Respondent's financial stability and creditworthiness are well documented, whether the Respondent has secured the necessary financing to complete the project, and whether the Respondent included adequate evidence of its financial ability to meet the obligations required under the project.

Financial information was solicited from all the Respondents, and this information, combined information solicited during the interviews, was used to assess the financial capability of each Respondent, which is considered an indicator of project implementation risk. Please note however that the Evaluation Team is not serving as a municipal financial advisor or independent accountant qualified to render opinions on the financial accuracy and financial wherewithal of the Respondents.

Note that evaluation within this three (3) point category address the proposing entities' capability to finance or cover the projected costs of the development of the solar projects. Respondents included in their Proposals confidential or proprietary information about their finances which have been reviewed by the Evaluation Team but will not be published in this report.

While not all financials provided were audited (some were reviewed) by certified accountants, all Respondents provided sufficient evidence through their proposals and clarifications after submission to indicate that they are each financially capable of developing this project. The Evaluation Team included in their assessment of financial capability the source of financing, this sources' history, and proven ability to successfully finance projects. Therefore, Respondents with large, recognized financial institutions were awarded more points than Respondents with smaller institution or self financing due to a perceived increased risk with smaller financing entities.

Altus/Dobtol, Onyx, and EnterSolar/GE sources of financing are large, recognizable financial institutions and were awarded the maximum three (3) points in this category. ASP/Spano, HESP, and Ferriera/Summit Water Capital Advisors source of financing are small or unknown financial entities or self financed, as such these Respondents received two (2) out of the possible three (3) points in this category.

7. Evaluation: Commercial Factors

Each Respondent was evaluated on the following commercial factors:

- Type of Production Guarantee
- PPA Adjustment Factors
- Commercial Terms of PPA

Each of these areas will be discussed, reviewed, and rated for each of the Respondents' proposals.

a) Type of Production Guarantee

Each of the Respondents were asked to provide a production guarantee. In the industry it is typical for PPA providers to provide a ninety percent (90%) production guarantee that is "trued-up" periodically over the term of the PPA. Some PPA providers will provide a schedule of guaranteed production over the term and some will offer a 90% weather-normalized guarantee, in which case the weather-normalization occurs during the true-up calculation. All Respondents indicated true-up time periods that are consistent with industry and whether weather-normalized or a fix schedule over the term, the production estimates were based on typical meteorological year and reflective of the expected conditions each year. As such, all Respondents received two (2) points, the maximum amount for this category.

b) PPA Adjustment Factors

Each of the Respondents were asked to indicate on the Proposal Quotation Form included in the RFP adjustment factors for unforeseen project costs that are imposed by the local utility during the interconnection process. All six (6) Respondents proposed adjustment factors within the expected range for the market. Therefore, all six (6) Respondents were awarded four (4) out of four (4) points, the maximum amount in this category.

c) Schedule

Each of the respondents were asked to provide a potential project schedule. In the industry it is typical for a project to reach commercial operation within 365 days from execution of the Power Purchase Agreement. All six (6) Respondents provided schedules with their proposals submissions. The proposed schedules fall within the typical industry time frame for project construction. As such all Respondents received two (2) points, the maximum amount for this category.

d) Commercial Terms of the PPA

Each of the Respondents were asked to indicate on the Proposal Quotation Form included in the RFP whether their proposal would require material changes to the Form PPA provided in Appendix A-1 of the RFP. Five of the six Respondents indicated that their proposals do not

require any material changes to the Form PPA or that they agreed to include the minimum terms and conditions contained in Exhibit A-1 in their respective PPA.

One Respondent, GE/Enter Solar included language in its proposal that indicated that it would request the right to adjust the PPA Rate in the event it identified subsurface conditions at the car-port canopy parking lots that resulted in increased construction costs.

All Respondents, except for Ferreira/Summit Water Capital Advisors, indicated that their proposed PPA rates would not change due to any regulatory changes. There is current regulatory activity that has the potential to impact the solar market. Recently, two failed U.S. solar module manufacturers filed a Section 201 trade case with the International Trade Commission in Washington, D.C.. The International Trade Commission found that the U.S. solar module manufacturing industry has been unfairly impacted by the low cost of solar panels from overseas. The International Trade Commission is tasked with recommending potential remedies to assist the U.S. solar module manufacturing industry in becoming more competitive. The potential remedy recommendations include some balance of quotas and import tariffs on modules and parts from overseas. President Trump made a final decision on the imposition tariffs on solar modules on January 22, 2018.. The BOE does not consider the potential tariff a force majeure, change in law, or acceptable contract provision. The BOE considers this a market risk.

Additionally, Congress has passed a new Federal tax bill that changes the way corporations and special purpose entities are taxed on their income. In addition, there is currently a solar reform bill that is pending in the New Jersey legislature that could change how SRECs are created and valued.

Lastly, the State of New Jersey's Legislature is considering new legislation that could affect the solar market in New Jersey by controlling the number and value of SRECs.

Since 4 out of 6 Respondents: (a) did not propose extraordinary contract terms, (b) did not attempt to place market risk onto the District, (c) included early buy out provisions, and (d)agreed to no material changes to the Form PPA included in the RFP, HESP, Altus/Dobtol, ASP/Spano and Onyx all received six (6)) out of six (6) points, the maximum amount of points for this criterion and Ferreira/Summit Water Capital Advisors and GE/Enter Solar received four (4) points out of six (6) points.

8. Evaluation: Education Value

The BOE recognized that the solar system could serve as a significant asset for enhancing student learning and community engagement. Solar energy systems are particularly helpful for supporting enhanced curriculum and project work for Science, Technology, Engineering, and Mathematics ("STEM") programs. The RFP encouraged Respondents to highlight educational content as part of their proposal. The Evaluation Team assessed the merit of this educational content by considering the value of displays and outreach programs, as well as specific content for enhancing curriculum.

All six (6) Respondents provided descriptions of the types of education materials that they will make available for the BOE as part of their proposal. All Respondents indicated that the BOE Administration and the BOE's STEM programs will have access to the raw data from the data acquisition systems and weather station as part of this project. Other education material that has been proposed consists of:

- Presentations
- Staff Training
- Assemblies for the students
- Curriculum Materials (tailored to each grade level)

ASP/Spano, HESP, Onyx, and EnterSolar/GE all offered robust education components in their respective proposals. In addition to curriculum support, ASP/Spano's proposal included in school assemblies and workshops to explain the science behind solar. In addition to curriculum support HESP's proposal included funding for a renewable energy science fair. EnterSolar/GE's proposal included robust support for both teacher's development and student curriculum. As such, ASP/Spano, HESP, Onyx, and EnterSolar/GE received four (4) points, the maximum in this category.

Altus/Dobtol and Ferreira both provided proposals with educational components and support for curricula, but in comparison to the offerings from the other Respondents, these two Respondents offered the least educational materials and support in their respective proposals. As such, Altus/Dobtol and Ferriera received three (3) out of the possible four (4) points in this category.

9. Trade-Offs Between Options

As described in the previous sections of this report, three (3) proposal options were included in the RFP (with Option 1 mandatory and Options 2 and 3 elective). "Option 1" as set forth in Article II of the RFP, which included roof-mounted solar arrays to be developed at Elizabeth High School and School 22 William F. Halloran School. The RFP also included two (2) elective proposal options. “Option 2” consisted of the roof-mounted systems required in “Option 1” with the inclusion of carport canopy-mounted systems in the parking lots of Elizabeth High School and School 28 Juan Pablo Duarte – Jose Julian Marti School. “Option 3” included the requirements contained in “Option 1” and “Option 2” along with potential roof-mounted system locations at School 7 Terence C. Reilly, School 50 France C. Smith Center for Early Childhood Education, Thomas A. Edison Career and Technical Academy, School 1&9 George Washington Academy & Jerome Dunne Academy, and School 30 Ronald Reagan Academy.

Under the RFP, the BOE retains sole discretion to select the proposal option under which the PPA, if any, will be awarded. Each proposal Option includes different risks and potential benefits. Option 1 includes the two facilities with young roofs (under warranty), large usable areas, and presents the lowest risk of the three options. Option 2 includes carport canopy systems which require footing below grade and large steel structures. Option 2 systems present more risk that Option 1 due to known and unknown conditions beneath the included parking lots and potential changes to parking lot maintenance (increased salting). Option 3 carries the most risk because it includes the carport canopies of Option 2 and their associated risk as well as numerous older roofs that are in varying conditions. The roofs included in Option 3 are not under warranty and likely will need repair or replacement during the 15-year PPA term, if not prior to construction of the solar projects. If the actual cost of canopy or older-roof based systems are higher than the costs the Successful Respondent expected at the time it submitted its proposal, then the facilities may be removed from the project portfolio potentially negatively impacting PPA rates. In an extreme case, if enough projects are removed, it is possible that the the BOE could be left with a solar project portfolio that looks like Option 1 but has a PPA Rate of Option 2 or 3.

The Evaluation Team finds that the proposals deliver meaningful savings for the BOE, are competitive with current market practice, and deliver educational benefits that are significant. Based on an evaluation of price and other factors, including the varying levels of risk associated with Options 2 and 3 in comparison to Option 1, the Evaluation Team recommends that Proposal Option 1 be selected by the BOE.

10. Sensitivity Analysis

As noted in Section 4, economic merit is based on a detailed analysis of current and forecasted rates for grid-supplied electricity as compared with the proposed solar PPA rate of each Respondent. These results are used to estimate a NPV of savings to the BOE over the 15-year term of the agreement. The assumptions in this analysis affect the estimated savings, and actual savings could be higher or lower than projected depending on actual utility costs over time. Note that variations in these assumptions do not affect the ranking of proposals since all proposals are affected equally. However, deviations of actual utility rate costs from projected values will impact the actual savings realized by the BOE. For the baseline case used in the analysis, significant savings are projected to be realized.

To assess how vulnerable the savings is to scenarios including unforeseen project costs and inflated or deflated electrical supply costs sensitivity analyses were completed for each proposal. The results of the unforeseen project cost adjustment factor sensitivities can be found in Attachment 4. Increasing the electricity supply cost will cause an increase in the savings values and vice versa, decreasing the electricity supply costs will cause a decrease in the savings. The results of increasing or decreasing the electricity supply costs in the future are predictable and as such are not detailed in Attachment 4.

11. Recommendation

The RFP process attracted a competitive range of proposals. Following a legal and technical review, six (6) proposals were determined to be complete and legally and technically compliant with the requirements of the RFP. EnterSolar/GE provided an alternative proposal option that was not considered.

The economic analysis indicates that the solar project will provide significant savings to the Elizabeth BOE, compared with continuing the current purchase of electricity over the 15-year term. If the BOE decides to purchase the system at the end of the term (based on a fair market value determination), there will likely be strong economic value for the remaining operating life of the equipment (estimated to be an additional 10 years or more). The predictable price of solar electricity also provides a hedge against future price increases of utility supply. Based on these economic considerations, and the results of the economic analysis, the Evaluation Team believes that the implementation of a solar project would be beneficial for the district.

In addition to economics, there will be other benefits to the district, including reduced carbon footprint, points in the Sustainable Jersey for Schools program, and a unique asset for student and community engagement. Proposals included educational content, including public displays, outreach efforts, and curriculum content.

All proposals under the mandatory Option 1 provide savings, measured as the difference between the solar PPA rate and what it would cost to purchase the same electricity under the current purchase strategy, including third party supply pricing and utility costs. Not all the proposal received under elective Options 2 & 3 provide a savings, a few present negative savings or a higher cost of electricity over the term.

The strongest ranked proposal under mandatory Option 1, from HESP Solar, provides savings of approximately $56,987 in the first two years and an approximate 15-yr Net Present Value of savings of $677,463.

The strongest ranked proposal under elective Option 2, from HESP Solar, provides savings of approximately $29,606 in the first two years and an approximate 15-yr Net Present Value of savings of $664,295.

The strongest ranked proposal under elective Option 3, from Onyx Renewable Partners, would increase costs by approximately $43,900 in the first two years, but provides an approximate 15-yr Net Present Value of savings of $1,072,912.

The Evaluation Team finds that the proposals; deliver meaningful savings for the BOE, are competitive with current market practice, and deliver educational benefits that are significant. Based on an evaluation of price and other factors, including the varying levels of risk associated with Options 2 and 3 in comparison to Option 1, the Evaluation Team recommends that HESP Solar Proposal Option 1 be selected by the BOE as the Successful Respondent to the RFP, and that HESP Solar be awarded the PPA.

Attachment 1 – Summary of Proposals

Respondent	Option	PPA Rate ($/kWH)	Escalation Rate	Adj. Factor-Unforseen Costs ($/kWH)	Unforseen Costs Price Range	Adj. Factor-Unforseen Costs ($/kWh)	School	System Size (KW)	Expected Output (kWh)
ASP/Spano	1	$0.0425	1.50%	$0.00056/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.002785/KWH $0.005570/KWH $0.016710/KWH	HS Halloran	694.83 KW 314.64 KW	872,613 402,492
	2	$0.0835	1.50%	$0.00027/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.001433/KWH $0.002867/KWH $0.008600/KWH	HS HS-C Halloran Duarte Duarte-C	694.83 KW 534.06 KW 314.64 KW 96.60 KW 372.60 KW	872,613 605,624 402,492 120,371 441,244
Altus/Dobtol	1	$0.0665	2.00%	$0.0002/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0015/KWH $0.0020/KWH $0.0025/KWH	HS Halloran	1,006.2 KW 313.92 KW	1,164,404 365,571
	2	$0.0770	2.00%	$0.0002/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0015/KWH $0.0020/KWH $0.0025/KWH	HS-1 HS-C Halloran Duarte	1,006.2 KW 523.44 KW 323.92 KW 537.48 KW	1,164,404 605,740 365,571 642,248
	3	$0.0663	2.00%	$0.0002/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0015/KWH $0.0020/KWH $0.0025/KWH	HS-both Halloran Duarte Reilly Smith Washington Edison Reagan Pantoja	1,529.64 KW 313.92 KW 537.48 KW 182.88 KW 362.52 KW 678.96 KW 419.76 KW 213.48 KW 246.24 KW	1,770,144 365,571 624,248 213,461 419,100 787,947 490,967 248,605 286,008
Enter Solar EDU	1	$0.0649	1.90%	$0.0006/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0042/KWH $0.0072/KWH $0.0090/KWH	HS Halloran	807 KW 300 KW	957,800 347,300
	2	$0.0899	1.90%	$0.0011/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0077/KWH $0.0121/KWH $0.0165/KWH	HS Halloran Duarte	1,858 KW 300 KW 468 KW	2,231,800 347,300 580,200
	3	$0.0899	1.90%	$0.0011/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0077/KWH $0.0121/KWH $0.0156/KWH	HS Halloran Duarte Pantoja	1,858 KW 300 KW 468 KW 230 KW	2,231,800 347,300 580,200 267,900
	Alt.	$0.0649	1.90%	$0.0006/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0042/KWH $0.0072/KWH $0.0090/KWH	HS Halloran Pantoja	807 KW 300 KW 230 KW	957,800 347,300 267,900
Ferreira	1	$0.0775	2.00%	$0.0020/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0060/KWH $0.0090/KWH $0.0120/KWH	HS Halloran	1,380.24 KW 265.68 KW	1,724,559 331,447
HESP Solar	1	$0.0480	1.90%	$0.0001/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0005/KWH $0.0010/KWH $0.0015/KWH	HS Halloran	1,069.99 KW 306.19 KW	1,247,471 354,568
	2	$0.0590	2.00%	$0.0001/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0005/KWH $0.0010/KWH $0.0015/KWH	HS HS-C Halloran Duarte	1,069.99 KW 387.93 KW 306.19 KW 318.585 KW	1,247,471 435,209 354,568 366,636
	3	$0.1050	2.00%	$0.0001/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0005/KWH $0.0010/KWH $0.0015/KWH	HS-both Halloran Duarte Reilly Smith Edison Washington Reagan Pantoja	1,457.92 KW 306.19 KW 318.585 KW 172.86 KW 396.975 KW 443.205 KW 651.91 KW 233.83 KW 245.555 KW	1,682,863 354,568 366,588 202,592 459,697 521,049 760,127 262,394 284,353
Onyx	1	$0.0650	1.25%	$0.0005/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0022/KWH $0.0040/KWH $0.0450/KWH	HS Halloran	1,449.70 KW 330.20 KW	1,862,609 416,008
	2	$0.0785	1.00%	$0.0002/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0015/KWH $0.0027/KWH $0.0032/KWH	HS Halloran Duarte	1,942.40 KW 330.20 KW 475.40 KW	2,118,562 416,008 599,017
	3	$0.0715	1.25%	$0.0003/KWH	$50,000-$99,999.99 $100,000-$149,999.99 $150,000 and above	$0.0015/KWH $0.0025/KWH $0.0031/KWH	HS Halloran Duarte Reilly Smith Edison Washington Reagan Pantoja	1,942.40 KW 330.20 KW 475.40 KW 200.10 KW 439.50 KW 457.10 KW 760.70 KW 214.10 KW 264.40 KW	2,118,562 416,008 599,017 252,126 459,973 575,978 958,514 269,949 333,415

*This table utilizes production estimates from PVWatts or equivalent estimation calculations included the Proposals

Attachment 2 – Proposal Ranking Evaluation Matrix

			Option 1						Option 2					Option 3			
Category	**Evaluation Factor**	**WEIGHTING**	**ASP**	**HESP**	**Dobtol**	**Onyx**	**Ferriera**	**EnterSolar**	**HESP**	**Onyx**	**Dobtol**	**ASP**	**EnterSolar**	**Dobtol**	**Onyx**	**EnterSolar**	**HESP**
Financial Benefits	NPV of Benefits	**50**	*40.5*	*50*	*25.11*	*37.25*	*11.77*	*20.08*	*50*	*32.6*	*21.74*	*8.89*	*0*	50	49.95	0	0
Technical Design / Approach	Design Strategy	**10**	*10*	*8*	*10*	*9*	*10*	*10*	*9*	*9*	*9*	*10*	*8*	9	9	8	9
	O&M Plan and Approach	**5**	*3*	*4*	*4*	*5*	*4*	*5*	*4*	*5*	*4*	*3*	*5*	4	5	5	4
	Project Management Approach	**5**	*4*	*3*	*3*	*5*	*3*	*4*	*3*	*5*	*3*	*4*	*4*	*3*	*5*	*4*	*3*
Respondent's Experience	Contractor Expertise	**5**	*5*	*3*	*4*	*5*	*5*	*4*	*3*	*5*	*4*	*5*	*4*	*4*	*5*	*4*	*5*
	Project Experience	**4**	*4*	*3*	*3*	*4*	*4*	*2*	*3*	*4*	*3*	*4*	*2*	*3*	*4*	*2*	*4*
	Financial Capability	**3**	*2*	*2*	*3*	*3*	*2*	*3*	*2*	*3*	*3*	*2*	*3*	*3*	*3*	*3*	*2*
Commercial Factors	Type of Production Guarantee	**2**	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*
	PPA Adjustment Factors	**4**	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*
	Schedule	**2**	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*
	Commercial Term in PPA	**6**	*6*	*6*	*6*	*6*	*4*	*4*	*6*	*6*	*6*	*6*	*4*	*6*	*6*	*4*	*6*
Educational Value	Educational Materials	4	*4*	*4*	*3*	*4*	*3*	*4*	*4*	*4*	*3*	*4*	*4*	*3*	*4*	*4*	*4*
Total Proposal		**100**	**86.5**	**91**	**69.11**	**86.25**	**54.77**	**64.08**	**92**	**81.6**	**64.74**	**54.89**	**42**	**93**	**98.95**	**42**	**45**

Attachment 3 - Economic Analysis

Option 1

Respondent	PPA Rate ($/kWh)	Escalation Rate	School	System Size (KW)	Guaranteed Production (kWh)	Year 1 SPTC	Year 2 SPTC	Year 1 Savings	Year 2 Savings	15 Year Savings	15 Year NPV	Points
ASP/Spano- 1	$0.0425	1.50%	Elizabeth HS	694.83	785,352	$0.0413	$0.0772	($977)	$26,625	$512,704	$332,158	40.50
			Halloran	314.64	362,243	$0.0551	$0.0912	$4,582	$17,330	$331,078	$216,604	
			TOTAL	1,009.47	1,147,595	-	-	$3,605	$43,955	$843,782	$548,762	
Altus/Dobtol- 1	$0.0665	2.00%	Elizabeth HS	1,006.20	1,047,964	$0.0458	$0.0844	($21,695)	$17,312	$364,768	$225,514	25.11
			Halloran	313.92	329,014	$0.0563	$0.0951	($3,369)	$8,937	$179,973	$114,659	
			TOTAL	1,320.12	1,376,978	-	-	($25,064)	$26,249	$544,741	$340,172	
Enter Solar EDU- 1	$0.0649	1.90%	Elizabeth HS	807.00	862,000	$0.0425	$0.0789	($19,316)	$10,954	$252,458	$153,556	20.08
			Halloran	300.00	312,600	$0.0560	$0.0953	($2,767)	$9,062	$185,627	$118,550	
			TOTAL	1,107.00	1,174,600	-	-	($22,084)	$20,016	$438,086	$272,106	
Ferreira- 1	$0.0775	2.00%	Elizabeth HS	1,380.24	1,552,103	$0.0481	$0.0839	($45,704)	$7,566	$208,340	$109,998	11.77
			Halloran	265.68	298,302	$0.0551	$0.0912	($6,677)	$3,597	$82,502	$49,526	
			TOTAL	1,646	1,850,405			($52,381)	$11,163	$290,842	$159,524	
HESP- 1	$0.0480	1.90%	Elizabeth HS	1,069.99	1,122,723	$0.0466	$0.0856	($1,539)	$40,951	$764,583	$495,994	50.00
			Halloran	306.19	319,111	$0.0565	$0.0958	$2,700	$14,875	$277,761	$181,469	
			TOTAL	1,376.18	1,441,834	-	-	$1,162	$55,825	$1,042,343	$677,463	
Onyx- 1	$0.0650	1.25%	Elizabeth HS	1,449.70	1,643,947	$0.0475	$0.0809	($28,790)	$24,664	$627,341	$386,000	37.25
			Halloran	330.20	347,407	$0.0542	$0.0875	($4,056)	$8,073	$188,873	$118,758	
			TOTAL	1,779.90	1,991,354	-	-	($32,846)	$32,737	$816,214	$504,758	

Option 2

Respondent	PPA Rate ($/kWh)	Escalation Rate	School	System Size (KW)	Guaranteed Production (kWh)	Year 1 SPTC	Year 2 SPTC	Year 1 Savings	Year 2 Savings	15 Year Savings	15 Year NPV	Points
ASP/Spano- 2	$0.0835	1.50%	Elizabeth HS	1,346.88	1,451,030	$0.0479	$0.0848	($51,640)	$77	$193,586	$93,351	8.89
			Halloran	314.64	362,243	$0.0551	$0.0912	($10,270)	$2,330	$92,136	$52,732	
			Duarte-Marti	372.60	397,120	$0.0371	$0.0740	($18,422)	($4,237)	($26,871)	($27,973)	
			TOTAL	2,034.12	2,210,393	-	-	($80,333)	($1,829)	$258,851	$118,110	
Altus/Dobtol- 2	$0.0770	2.00%	Elizabeth HS	1,529.64	1,593,130	$0.0493	$0.0881	($44,099)	$15,093	$383,485	$224,646	21.74
			Halloran	313.92	329,014	$0.0563	$0.0951	($6,824)	$5,431	$122,383	$75,338	
			Duarte-Marti	347.76	363,532	$0.0359	$0.0742	($14,927)	($1,562)	($5,582)	($11,110)	
			TOTAL	2,191.32	2,285,676	-	-	($65,850)	$18,962	$500,286	$288,874	
Enter Solar EDU- 2	$0.0899	1.90%	Elizabeth HS	1,858.00	2,008,600	$0.0476	$0.0825	($84,449)	($17,877)	($94,213)	($110,318)	0.00
			Halloran	300.00	312,600	$0.0560	$0.0953	($10,582)	$1,138	$56,275	$30,154	
			Duarte-Marti	468.00	522,200	$0.0397	$0.0727	($26,206)	($9,805)	($120,316)	($92,591)	
			TOTAL	2,626.00	2,843,400	-	-	($121,237)	($26,544)	($158,254)	($172,755)	
HESP- 2	$0.0590	2.00%	Elizabeth HS	1,457.92	1,514,411	$0.0491	$0.0881	($15,018)	$42,038	$818,208	$523,248	50.00
			Halloran	306.19	319,111	$0.0565	$0.0958	($810)	$11,297	$217,431	$140,432	
			Duarte-Marti	213.06	215,970	$0.0222	$0.0604	($7,949)	$47	$6,253	$615	
			TOTAL	1,977.17	2,049,492	-	-	($23,776)	$53,382	$1,041,892	$664,295	
Onyx- 2	$0.0785	1.00%	Elizabeth HS	1,942.20	1,854,358	$0.0502	$0.0897	($52,551)	$19,267	$647,852	$382,667	32.60
			Halloran	330.20	347,407	$0.0542	$0.0875	($9,111)	$3,054	$117,079	$68,707	
			Duarte-Marti	308.40	349,726	$0.0339	$0.0688	($15,590)	($3,657)	($13,462)	($18,269)	
			TOTAL	2,580.80	2,551,491	-	-	($77,251)	$18,665	$751,468	$433,105	

Option 3

Respondent	PPA Rate ($/kWh)	Escalation Rate	School	System Size (KW)	Guaranteed Production (kWh)	Year 1 SPTC	Year 2 SPTC	Year 1 Savings	Year 2 Savings	15 Year Savings	15 Year NPV	Points
Altus/Dobtol- 3	$0.0663	2.00%	Elizabeth HS	1,529.64	1,593,130	$0.0493	$0.0881	($27,053)	$32,393	$667,653	$418,668	50.00
			Halloran	313.92	329,014	$0.0563	$0.0951	($3,303)	$9,004	$181,070	$115,408	
			Duarte-Marti	347.76	363,532	$0.0359	$0.0742	($11,037)	$2,386	$59,266	$33,166	
			Reilly	182.88	192,115	$0.0259	$0.0639	($7,757)	($705)	($5,789)	($7,315)	
			Smith	362.52	377,190	$0.0748	$0.1083	$3,199	$15,262	$281,264	$184,550	
			Edison	419.76	441,870	$0.0735	$0.1057	$3,182	$16,751	$308,729	$202,398	
			Washington	678.96	709,152	$0.0462	$0.0847	($14,289)	$12,068	$255,294	$158,198	
			Reagan	213.48	223,745	$0.0262	$0.0643	($8,966)	($742)	($5,384)	($7,607)	
			Pantoja	246.24	257,407	$0.0302	$0.0609	($9,289)	($1,734)	($30,613)	($23,568)	
			TOTAL	4,295.16	4,487,155	-	-	($75,313)	$84,682	$1,711,491	$1,073,897	
Enter Solar EDU- 3	$0.0899	1.90%	Elizabeth HS	1,858.00	2,008,600	$0.0476	$0.0825	($84,449)	($17,877)	($94,213)	($110,318)	0.00
			Halloran	300.00	312,600	$0.0560	$0.0953	($10,582)	$1,138	$56,275	$30,154	
			Duarte-Marti	468.00	522,200	$0.0397	$0.0727	($26,206)	($9,805)	($120,316)	($92,591)	
			Pantoja	230.00	241,100	$0.0250	$0.0536	($15,643)	($9,108)	($150,618)	($105,168)	
			TOTAL	2,856.00	3,084,500	-	-	($136,880)	($35,652)	($308,872)	($277,923)	
HESP- 3	$0.1050	2.00%	Elizabeth HS	1,457.92	1,514,411	$0.0491	$0.0881	($84,681)	($28,663)	($343,085)	($269,649)	0.00
			Halloran	306.19	319,111	$0.0565	$0.0958	($15,489)	($3,601)	($27,272)	($26,644)	
			Duarte-Marti	213.06	215,970	$0.0222	$0.0604	($17,883)	($10,036)	($159,360)	($112,460)	
			Reilly	172.86	182,333	$0.0244	$0.0627	($14,688)	($8,050)	($127,599)	($90,258)	
			Smith	396.98	413,727	$0.0752	$0.1084	($12,156)	$711	$51,897	$26,722	
			Edison	443.21	468,944	$0.0748	$0.1073	($14,183)	$75	$37,400	$16,491	
			Washington	651.91	684,114	$0.0459	$0.0848	($40,414)	($15,178)	($195,508)	($149,038)	
			Reagan	233.83	236,155	$0.0281	$0.0669	($18,167)	($9,450)	($146,284)	($104,230)	
			Pantoja	245.56	255,917	$0.0300	$0.0610	($19,185)	($11,732)	($195,020)	($135,831)	
			TOTAL	4,121.51	4,290,682	-	-	($236,846)	($85,923)	($1,104,832)	($844,896)	
Onyx- 3	$0.0715	1.25%	Elizabeth HS	1,942.20	1,854,358	$0.0502	$0.0897	($39,570)	$31,982	$812,909	$499,602	49.95
			Halloran	330.20	374,407	$0.0542	$0.0875	($6,490)	$5,621	$150,405	$92,317	
			Duarte-Marti	308.40	349,726	$0.0339	$0.0688	($13,142)	($1,259)	$17,667	$3,785	
			Reilly	200.10	226,913	$0.0287	$0.0619	($9,712)	($2,377)	($17,375)	($16,776)	
			Smith	439.50	413,976	$0.0758	$0.1092	$1,906	$15,242	$318,299	$205,906	
			Edison	457.10	518,830	$0.0745	$0.1030	$1,573	$15,793	$329,189	$212,890	
			Washington	760.70	862,663	$0.0460	$0.0794	($22,020)	$6,016	$217,513	$126,103	
			Reagan	214.40	242,953	$0.0261	$0.0579	($11,019)	($3,506)	($35,985)	($29,538)	
			Pantoja	264.40	300,074	$0.0370	$0.0637	($10,340)	($2,599)	($24,647)	($21,378)	
			TOTAL	4,917.00	5,143,900	-	-	($108,814)	$64,914	$1,767,975	$1,072,912	

Attachment 4 - Unforeseen Project Cost Adjustment Sensitivity Analysis

Respondent	Option	System Size (KW)	Escalation	Adj. Factor-Unforseen Costs	PPA Rate ($/kWh)	Year 1 Savings	15 Year Savings	15 Year NPV
ASP/Spano	1	1,009.47	1.50%	$50,000-$99,999.99 $0.002785/KWH	$0.0453	$409	$792,363	$513,498
				$100,000-$149,999.99 $0.005570/KWH	$0.0481	($2,787)	$740,944	$478,234
				$150,000 and above $0.016710/KWH	$0.0592	($15,572)	$535,268	$337,177
	2	2,191.32	1.50%	$50,000-$99,999.99 $0.001433/KWH	$0.0849	($83,500)	$207,891	$83,161
				$100,000-$149,999.99 $0.002867/KWH	$0.0864	($86,670)	$156,896	$48,188
				$150,000 and above $0.008600/KWH	$0.0921	($99,342)	($46,978)	($91,633)
Altus/Dobtol	1	1,320.12	2.00%	$50,000-$99,999.99 $0.0015/KWH	$0.0680	($27,129)	$510,309	$316,663
				$100,000-$149,999.99 $0.0020/KWH	$0.0685	($27,818)	$498,832	$308,827
				$150,000 and above $0.0025/KWH	$0.0690	($28,506)	$487,355	$300,991
	2	2,191.32	2.00%	$50,000-$99,999.99 $0.0015/KWH	$0.0785	($69,278)	$443,132	$249,851
				$100,000-$149,999.99 $0.0020/KWH	$0.0790	($70,421)	$424,081	$236,844
				$150,000 and above $0.0025/KWH	$0.0795	($71,564)	$405,029	$223,836
	3	4,295.16	2.00%	$50,000-$99,999.99 $0.0015/KWH	$0.0678	($82,044)	$1,599,289	$997,289
				$100,000-$149,999.99 $0.0020/KWH	$0.0683	($84,288)	$1,561,888	$971,753
				$150,000 and above $0.0025/KWH	$0.0688	($86,531)	$1,524,487	$946,216
Enter Solar EDU	1	1,107.00	1.90%	$50,000-$99,999.99 $0.0042/KWH	$0.0691	($27,017)	$356,430	$216,305
				$100,000-$149,999.99 $0.0072/KWH	$0.0721	($30,541)	$298,105	$176,447
				$150,000 and above $0.0090/KWH	$0.0739	($32,655)	$263,110	$152,532
	2	2,626.00	1.90%	$50,000-$99,999.99 $0.0077/KWH	$0.0976	($143,131)	($520,642)	($420,403)
				$100,000-$149,999.99 $0.0121/KWH	$0.1020	($155,642)	($727,720)	($561,916)
				$150,000 and above $0.0165/KWH	$0.1064	($168,153)	($934,799)	($703,429)
	3	2,856.00	1.90%	$50,000-$99,999.99 $0.0077/KWH	$0.0976	($160,630)	($701,988)	($546,570)
				$100,000-$149,999.99 $0.0121/KWH	$0.1020	($174,202)	($926,625)	($700,082)
				$150,000 and above $0.0156/KWH	$0.1055	($184,998)	($1,105,314)	($822,194)
	Alt.	1,337.00		$50,000-$99,999.99 $0.0042/KWH	$0.0691	($37,645)	$288,817	$167,861
				$100,000-$149,999.99 $0.0072/KWH	$0.0721	($41,892)	$218,520	$119,822
				$150,000 and above $0.0090/KWH	$0.0739	($44,440)	$176,342	$90,998
Ferreira	1	1,645.92	2.00%	$50,000-$99,999.99 $0.0060/KWH	$0.0835	($77,166)	$54,277	($9,214)
				$100,000-$149,999.99 $0.0090/KWH	$0.0865	($82,717)	($38,262)	($72,397)
				$150,000 and above $0.0120/KWH	$0.0895	($88,268)	($130,802)	($135,581)
HESP Solar	1	1,376.18	1.90%	$50,000-$99,999.99 $0.0005/KWH	$0.0485	$441	$1,030,411	$669,309
				$100,000-$149,999.99 $0.0010/KWH	$0.0490	($280)	$1,018,478	$661,155
				$150,000 and above $0.0015/KWH	$0.0495	($1,001)	$1,006,546	$653,000
	2	1,997.17	2.00%	$50,000-$99,999.99 $0.0005/KWH	$0.0595	($24,801)	$1,024,809	$652,632
				$100,000-$149,999.99 $0.0010/KWH	$0.0600	($25,826)	$1,007,727	$640,968
				$150,000 and above $0.0015/KWH	$0.0605	($26,851)	$990,644	$629,304
	3	4,121.51	2.20%	$50,000-$99,999.99 $0.0005/KWH	$0.1055	($238,991)	($1,140,595)	($869,315)
				$100,000-$149,999.99 $0.0010/KWH	$0.1060	($241,137)	($1,176,358)	($893,733)
				$150,000 and above $0.0015/KWH	$0.1065	($243,282)	($1,212,122)	($918,151)
Onyx	1	1,779.90	1.75%	$50,000-$99,999.99 $0.0022/KWH	$0.0672	($37,286)	$746,028	$456,515
				$100,000-$149,999.99 $0.0040/KWH	$0.0690	($40,919)	$688,603	$417,043
				$150,000 and above $0.00450/KWH	$0.0695	($41,928)	$672,651	$406,079
	2	2,580.80	1.75%	$50,000-$99,999.99 $0.0015/KWH	$0.0800	($81,119)	$691,399	$391,723
				$100,000-$149,999.99 $0.0027/KWH	$0.0812	($84,213)	$643,343	$358,617
				$150,000 and above $0.0032/KWH	$0.0817	($85,502)	$623,320	$344,823
	3	4,917.00	2.00%	$50,000-$99,999.99 $0.0015/KWH	$0.0730	($116,530)	$1,646,013	$989,081
				$100,000-$149,999.99 $0.0025/KWH	$0.0740	($121,674)	$1,564,705	$933,194
				$150,000 and above $0.0031/KWH	$0.0746	($124,760)	$1,515,921	$899,661