

# **Attachment 2**

## **Santa Barbara County Exterior Lighting Project Proposal**

## Project Summary

The County of Santa Barbara (County) enrolled with the Southern California Regional Energy Network (SoCalREN) in August 2016 to take advantage of the no-cost services available to help the agency move energy efficiency projects from conception to completion. The County expressed a high level of interest in exploring energy efficiency opportunities at various facilities, and this proposal summarizes the recommendations of the lighting audit conducted by Empowered Solutions.

Benefits of this project include reducing maintenance costs, improving lighting reliability, hedge against increasing utility costs, reducing greenhouse gas emissions, and receiving no-cost management and technical services throughout the project.



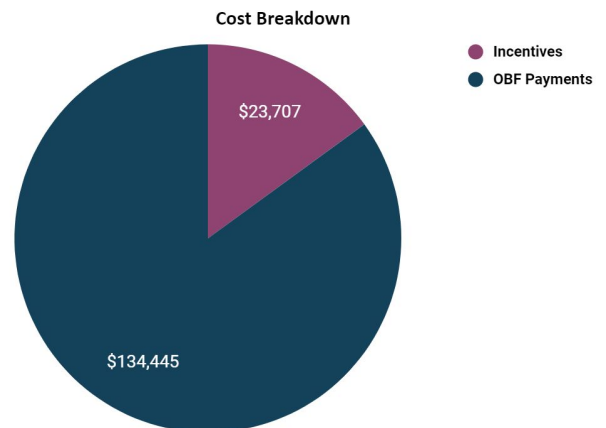
<p>Estimated Savings</p> <p><b>\$2,859</b> per month</p> <p><b>\$34,309</b> per year</p>	<p>Estimated Net Savings (NPV)</p> <p><b>\$314,428</b></p> <p>over project lifetime</p>	<p>Simple Payback Period</p> <p><b>5.0 Years</b></p>
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Monthly and annual savings include energy and maintenance cost savings. Financial metrics definitions can be found in Appendix A.

## Project Financials

Project Costs	
Gross Project Cost	\$158,152
Reserved Incentives	\$23,707
Net Project Cost	\$134,445
Reserved OBF	\$134,445
Remaining Project Cost	\$0

Additional costs, such as construction management or staff time, are not included in this table. Incentive and OBF reimbursements are not received until after the project has been completed and approved by the Utilities.



Up-front capital requirements are often the greatest obstacle in pursuing energy efficiency retrofit projects. However, by utilizing the reserved \$23,707 in incentives and the reserved \$134,445 in OBF, the County will be left with zero out-of-pocket cost.

## Cash Flow Analysis

SoCalREN assists financing opportunities available for public agencies and applying and securing them for eligible agencies. Options that are available to the County include SCE On-Bill Financing (OBF), and SoCalREN Revolving Savings Fund (RSF). Additional details about OBF and RSF, and ELF can be found in Appendices B and C.

The projected annual cash flow for the County is outlined below. Please note that this cash flow table is in present value.

OBF Loan Principal	Loan Interest	Loan Term (Years)
\$134,445	0.0%	5.00

Year	Incentives & Financing	Est. Utility Savings	Est. Maintenance Savings	Total Cash Inflows	Est. SCE OBF Payment	Total Cash Outflows	Net Cash Flows (Present Value)
0	\$158,152			\$158,152		(\$158,152)	\$0
1	\$0	\$28,911	\$4,640	\$33,551	(\$26,294)	(\$26,294)	\$7,257
2	\$0	\$29,403	\$4,687	\$34,090	(\$25,713)	(\$25,713)	\$8,377
3		\$29,904	\$4,735	\$34,638	(\$25,145)	(\$25,145)	\$9,493
4		\$30,412	\$4,783	\$35,195	(\$24,589)	(\$24,589)	\$10,606
5		\$30,930	\$4,831	\$35,761	(\$24,046)	(\$24,046)	\$11,716
6		\$31,456	\$4,880	\$36,337	(\$3)	(\$3)	\$36,333
7		\$31,991	\$4,930	\$36,922	\$0	\$0	\$36,922
8		\$32,536	\$4,980	\$37,516	\$0	\$0	\$37,516
9		\$33,089	\$5,031	\$38,120	\$0	\$0	\$38,120
10		\$33,652	\$5,082	\$38,735	\$0	\$0	\$38,735
11		\$34,225	\$5,134	\$39,359	\$0	\$0	\$39,359
12		\$34,807	\$5,186	\$39,993	\$0	\$0	\$39,993
<i>*All values are in Present</i>	<b>Totals</b>	<b>\$381,319</b>	<b>\$58,899</b>	<b>\$598,370</b>	<b>(\$125,790)</b>	<b>(\$283,942)</b>	<b>\$314,428</b>

In addition to the table above, the cash flow table below is not in present value.

OBF Loan Principal	Loan Interest	Loan Term (Years)
\$134,445	0.0%	5.00

Year	Incentives & Financing	Est. Utility Savings	Est. Maintenance Savings	Total Cash Inflows	Est. SCE OBF Payment	Total Cash Outflows	Net Cash Flows
0	\$158,152			\$158,152		(\$158,152)	\$0
1	\$0	\$29,565	\$4,745	\$34,309	(\$26,888)	(\$26,888)	\$7,421
2	\$0	\$30,747	\$4,901	\$35,649	(\$26,888)	(\$26,888)	\$8,760
3		\$31,977	\$5,063	\$37,040	(\$26,888)	(\$26,888)	\$10,152
4		\$33,256	\$5,230	\$38,486	(\$26,888)	(\$26,888)	\$11,598
5		\$34,587	\$5,403	\$39,989	(\$26,888)	(\$26,888)	\$13,101
6		\$35,970	\$5,581	\$41,551	(\$4)	(\$4)	\$41,547
7		\$37,409	\$5,765	\$43,174	\$0	\$0	\$43,174
8		\$38,905	\$5,955	\$44,860	\$0	\$0	\$44,860
9		\$40,461	\$6,152	\$46,613	\$0	\$0	\$46,613
10		\$42,080	\$6,355	\$48,435	\$0	\$0	\$48,435
11		\$43,763	\$6,564	\$50,328	\$0	\$0	\$50,328
12		\$45,514	\$6,781	\$52,295	\$0	\$0	\$52,295
<i>*All values are not in Present</i>	<b>Totals</b>	<b>\$444,235</b>	<b>\$68,494</b>	<b>\$670,881</b>	<b>(\$134,445)</b>	<b>(\$292,597)</b>	<b>\$378,284</b>