

LOAN AWARD REQUEST

CEC-271 (Revised 05/11)

CALIFORNIA ENERGY COMMISSION

To: Grants and Loans OfficeDate: 1 / 18 / 2012Project Manager: Anne FisherPhone Number: (916) 657-Office Special ProjectsDivision: Fuels and TransportationMS- 23Project Title: City of Ceres 004-11-ECE-ARRA**Type of Request:** (check one)

<input type="checkbox"/> New Agreement: (include items A - F from below)	Agreement Number: <u>Assigned by the G&L Office</u>
Program: _____	
Solicitation Name: _____	
Legal Name of Recipient: _____	
Recipient's Full Mailing Address: _____	
Recipient's Project Officer: _____	Phone Number: () - ext. _____
Email Address: _____	
Agreement Start Date: ____ / ____ / ____	Agreement End Date: ____ / ____ / ____
Annual Energy Savings: \$ _____	Total Loan Amount: \$ _____
Number of Repay Periods: (Leave blank if repay is based on energy savings)	

<input checked="" type="checkbox"/> Amendment : (Check all that apply)	Agreement Number: <u>004-11-ECE-ARRA</u>
<input checked="" type="checkbox"/> Term Extension – New End Date: <u>4 / 30 / 2012</u>	
<input type="checkbox"/> Change of Scope (include items A – G from below, as applicable)	
<input checked="" type="checkbox"/> Loan Augmentation: \$ <u>142,860.00</u>	

ITEMS TO ATTACH WITH REQUEST:

- | | | |
|---|--|---------------------------------|
| A. Loan information including application and budget details. | D. CEQA Compliance Form. | F. ECM Codes, if applicable. |
| B. Recipient Resolution. | E. Other Documents as applicable. | G. Justification for Amendment. |
| C. Special Conditions, if applicable. | • Copy of Pre-Award Correspondence | H. Subcontractor Information |
| | • Copy of All Other Relevant Documents | |

California Environmental Quality Act (CEQA)

<input checked="" type="checkbox"/> CEC finds, based on recipient's documentation in compliance with CEQA:	
<input checked="" type="checkbox"/> Project exempt: <u>Section 15302</u>	NOE filed: <u>9 / 13 / 2011</u>
<input type="checkbox"/> Environmental Document prepared: <u>Type</u>	NOD filed: ____ / ____ / ____
<input type="checkbox"/> Other: <u>Explain</u>	
<input type="checkbox"/> CEC has made CEQA finding described in CEC-280, attached	

Funding Information:

Source #1: <u>ECA</u>	Amount: \$ <u>142,860.00</u>	Statute: <u>1994</u>	FY: <u>2011</u>	Budget List #: <u>401.007</u>
Source #2: _____	Amount: \$ _____	Statute: _____	FY: _____	Budget List #: _____
Source #3: _____	Amount: \$ <u>0.00</u>	Statute: _____	FY: _____	Budget List #: _____

Business Meeting Approval: (refer to Business Meeting Schedule)	Date due to Secretariat: <u>1 / 13 / 2012</u>
Proposed Business Meeting Date: <u>2 / 8 / 2012</u>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion
Business Meeting Participant: <u>Anne Fisher</u>	Time Needed: <u>5 minutes</u>

Agenda Notice Statement: (This is the description that will appear on the agenda)

Possible approval of a loan amendment to augment 004-11-ECE-ARRA with the City of Ceres and to extend the agreement to April 30, 2012. The City has identified 348 additional streetlights to retrofit and has requested an additional \$142,860 to fund the retrofit of the additional lights. The new loan amount is \$1,336,360 to the City of Ceres to retrofit city High Pressure Sodium and Mercury Vapor streetlights to LED. The project will save 1,497,626 kWh of electricity annually. The City will reduce its annual electricity bills by \$121,487, and has a simple payback of 11 years based on the loan amount. The Energy Commission will be using ECAA and/or ARRA funding for this loan. (ECAA and/or ARRA funded).

LOAN AWARD REQUEST



Please list all known Subcontractors paid with proceeds connected to the project mentioned above:
none selected yet.

Project Manager Date Office Manager Date Deputy Director Date

Executive Director Date Presiding Policy Committee Date Associate Policy Committee Date

Memorandum

To: Robert P. Oglesby
Executive Director

Date: December 23, 2011

Telephone: 657-4630

From: **California Energy Commission**
1516 Ninth Street
Sacramento CA 95814-5512

Subject: STAFF RECOMMENDATION TO APPROVE A LOAN AUGMENTATION TO THE CITY OF CERES, 004-11-ECE-ARRA AND EXTEND THE AGREEMENT TO APRIL 30, 2012. THE INCREASE OF \$142,860 TO A \$1,336,360 LOAN FOR ENERGY EFFICIENCY UPGRADES TO BE CONSIDERED AT THE FEBRUARY 8, 2012 BUSINESS MEETING. LOAN WILL BE SPLIT-FUNDED USING ENERGY CONSERVATION ASSISTANCE ACCOUNT (ECAA) AND AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) FUNDS.

Summary of Item

The City of Ceres (City) has requested an augmentation to their \$1,193,500 loan of \$142,860 to install 348 additional light-emitting diode (LED) streetlights city-wide. The new loan amount requested is \$1,336,360 and will fund the retrofit of 2,560 streetlights. In addition, the City has requested an additional 30 days to complete the retrofit. The new end term date of April 30, 2012 is within the original federally-approved period of performance for the SEP-ARRA Grant.

These upgrades will reduce the City's energy use by an estimated 1,497,626 kWh annually. This will save the City approximately \$121,487 in annual energy costs. The total project cost is \$1,411,211, of which \$1,336,360 will be funded by this loan and \$74,851 by utility incentives.

Justification for Action Requested:

Energy Commission staff has determined that the loan request for the City of Ceres is technically justified and meets the requirements for a loan with ECAA-ARRA funds. ARRA requires that the project be completed by March 31, 2012, and the City of Ceres plans to complete its project in March 2012. The program requires repayment of the loan, interest and principal, within 15 years: this is equivalent to projects having a simple payback of 11.0 years or less. As this loan has a simple payback of 11 years, it meets the requirement of the loan program. In addition to saving the City money, these energy efficiency measures will reduce the City's annual green house gas emissions by approximately 784,756 pounds CO₂. As a result, staff recommends approval of the loan to the City of Ceres.

Table 1 summarizes the project savings, cost and simple payback for the project.

No. of Fixtures	Energy Efficiency Projects	Estimated Total Project Cost (\$)	Energy Commission Loan (\$)	Estimated Annual Energy Cost	Simple Payback (Years)
1,095	20 LED Gen D 525 @ 36.3 Watts	Included in Total Below		\$46,252	
1,032	40 LED Gen D 475 @ 60.5 Watts	Included in Total Below		\$47,385	
188	50 LED Gen D 550 @ 89.9 Watts	Included in Total Below		\$10,360	
245	60 LED Gen D 625 @ 124.1 Watts	Included in Total Below		\$17,490	
	Total Equipment and Installation Cost	\$1,411,211			
	Utility Incentives (-)	\$74,851			
	GRAND TOTAL ALL MEASURES	\$1,336,360	\$1,336,360	\$121,487	11

- Energy Commission Loan: \$1,336,360
- Turlock Irrigation District Energy Rebates: \$74,851
- **Total Project Cost: \$1,411,211**

Project Manager

Anne Fisher, Special Projects Office

Oral Presentation

Staff will be prepared to discuss this recommendation and to respond to questions regarding the loan.

Business Meeting Participants

Anne Fisher, Special Projects Office, Fuels and Transportation Division

Commission Action Requested

Approve the loan and authorize the Executive Director to execute the loan documents.

PAT PEREZ, Deputy Director
Fuels and Transportation Division

GRANT/LOAN AMENDMENT

CEC-140 (Revised 9/11)

CALIFORNIA ENERGY COMMISSION


 Check here if additional pages are attached. 4 Pages

 AGREEMENT NUMBER:
004-11-ECE-ARRA

 AMENDMENT NUMBER:
1

1. This Agreement is entered into between the State Agency and the Recipient named below:

STATE AGENCY'S NAME

California Energy Commission

RECIPIENT'S NAME

City of Ceres
 2. The term of this Agreement: From: 11/22/11 To: 4/30/12

 3. The maximum amount of this Agreement after this amendment is: **\$ 1,336,360.00**

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

1. Extend the term of the agreement by one month from 3/31/12 to 4/30/12
2. Augment the loan by \$142,860.00 to allow the Borrower to retrofit additional streetlights
3. Update Exhibit A Attachment 1 Budget Detail/Project Cost and Savings to reflect the augmentation
4. Update Exhibit B Attachment 1 Estimated Amortization Schedule to reflect the augmentation

All other terms and conditions shall remain the same.

5. Amendment Amount

Fund Title	Item	Fiscal Year	Chapter	Statute	Amendment Amount
ECAA	0033001-3360-94-517	11/12	553	1994	\$ 142,860.00
					\$
					\$
OBJECT CODE 4400-626-44116	Total				\$ 142,860.00

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose stated above.

SIGNATURE OF ACCOUNTING OFFICER

DATE

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.
RECIPIENT

RECIPIENT'S NAME (If other than an individual, state whether a corporation, partnership, etc)

BY (Authorized Signature)

DATE SIGNED (Do not type)

NAME AND TITLE OF PERSON SIGNING

ADDRESS

STATE OF CALIFORNIA

AGENCY NAME

BY (Authorized Signature)

DATE SIGNED (Do not type)

NAME AND TITLE OF PERSON SIGNING

Rachel L. Grant Kiley, Contracts, Grants and Loans Office Manager

ADDRESS

1516 9th Street, MS 1, Sacramento, CA 95814

**EXHIBIT A
ATTACHMENT 1
BUDGET DETAIL/PROJECT COST AND SAVINGS**

This loan is made to the City of Ceres (“Borrower”) for an energy savings Project. The Project consists of the energy efficiency measures listed in Table 1 below to be installed citywide in Ceres,CA.

The Table below summarizes the estimated Project cost(s), saving(s) and simple payback(s) for the Project.

TABLE 1: Summary of Project Cost and Savings:

No. of Fixtures	Energy Efficiency Projects	Estimated Total Project Cost (\$)	Energy Commission Loan (\$)	Estimated Annual Energy Cost Savings (\$)	Simple Payback (Years)
1,095	20 LED Gen D 525 @ 36.3 Watts	Included in Total Below		\$46,252	
1,032	40 LED Gen D 475 @ 60.5 Watts	Included in Total Below		\$47,385	
188	50 LED Gen D 550 @ 89.9 Watts	Included in Total Below		\$10,360	
245	60 LED Gen D 625 @ 124.1 Watts	Included in Total Below		\$17,490.23	
	Total Equipment and Installation Cost	\$1,411,211			
	Utility Incentives (-)	\$74,851			
	GRAND TOTAL ALL MEASURES	\$1,336,360	\$1,336,360	\$121,487.23	11

* The simple payback is based on the loan amount.

The Borrower shall implement each measure listed in Table 1.

If Borrower does not complete one or more of the measures or deviates from the quantities and specifications listed in Table 1, the Energy Commission will calculate the maximum loan amount supported by the Project. The loan amount will be determined

by the lesser of: 1) multiplying the annual energy cost savings by 11; 2) total Project costs; or 3) approved loan amount.

A letter of agreement or loan amendment may be necessary to document these changes, at the discretion of the Energy Commission.

If the Borrower has received disbursements exceeding the maximum loan amount supported by the Project, the Borrower shall refund the difference to the Energy Commission within 30 days of notification.



State of California

Energy Resources Conservation
and Development Commission

1516 Ninth Street
Sacramento, California 95814-5512

Estimated Loan Amortization Table

Loan Number:	004-11-ECE-ARRA	Number of Payments:	28
Recipient:	City of Ceres	Estimated Disbursement Date:	3/15/2012
Loan Amount:	\$142,860.00	Estimated Project Completion Date:	4/30/2012
Interest Rate:	3.00 %	Annual Energy Savings:	\$121,487.00

Transaction Date	Payment Number	Invoice Number	Receipt Number	Disbursement Amount	Billing Invoice Interest Amount	Repay Principal Amount	Repay Interest Amount	Unscheduled Principal Amount	Unscheduled Interest Amount
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Trans #	Payment Date	Accrued Interest	Payment Amount	Interest Payment	Principal Payment	Principal Balance
Disbursement 1	3/15/2012	\$0.00	(\$1,336,360.00)	\$0.00	(\$1,336,360.00)	\$1,336,360.00
Payment 1	12/22/2012	\$30,974.26	\$59,279.97	\$30,974.26	\$28,305.71	\$1,308,054.29
Payment 2	6/22/2013	\$19,567.06	\$59,279.97	\$19,567.06	\$39,712.91	\$1,268,341.38
Payment 3	12/22/2013	\$19,077.24	\$59,279.97	\$19,077.24	\$40,202.73	\$1,228,138.65
Payment 4	6/22/2014	\$18,371.61	\$59,279.97	\$18,371.61	\$40,908.36	\$1,187,230.29
Payment 5	12/22/2014	\$17,857.24	\$59,279.97	\$17,857.24	\$41,422.73	\$1,145,807.57
Payment 6	6/22/2015	\$17,140.03	\$59,279.97	\$17,140.03	\$42,139.94	\$1,103,667.62
Payment 7	12/22/2015	\$16,600.37	\$59,279.97	\$16,600.37	\$42,679.60	\$1,060,988.02
Payment 8	6/22/2016	\$15,958.42	\$59,279.97	\$15,958.42	\$43,321.55	\$1,017,666.48
Payment 9	12/22/2016	\$15,306.82	\$59,279.97	\$15,306.82	\$43,973.15	\$973,693.33
Payment 10	6/22/2017	\$14,565.39	\$59,279.97	\$14,565.39	\$44,714.58	\$928,978.74
Payment 11	12/22/2017	\$13,972.86	\$59,279.97	\$13,972.86	\$45,307.11	\$883,671.63
Payment 12	6/22/2018	\$13,218.76	\$59,279.97	\$13,218.76	\$46,061.21	\$837,610.42
Payment 13	12/22/2018	\$12,598.58	\$59,279.97	\$12,598.58	\$46,681.39	\$790,929.03
Payment 14	6/22/2019	\$11,831.43	\$59,279.97	\$11,831.43	\$47,448.54	\$743,480.49
Payment 15	12/22/2019	\$11,182.76	\$59,279.97	\$11,182.76	\$48,097.21	\$695,383.28
Payment 16	6/22/2020	\$10,459.33	\$59,279.97	\$10,459.33	\$48,820.64	\$646,562.64
Payment 17	12/22/2020	\$9,725.01	\$59,279.97	\$9,725.01	\$49,554.96	\$597,007.68
Payment 18	6/22/2021	\$8,930.58	\$59,279.97	\$8,930.58	\$50,349.39	\$546,658.29
Payment 19	12/22/2021	\$8,222.34	\$59,279.97	\$8,222.34	\$51,057.63	\$495,600.66
Payment 20	6/22/2022	\$7,413.64	\$59,279.97	\$7,413.64	\$51,866.33	\$443,734.33
Payment 21	12/22/2022	\$6,674.25	\$59,279.97	\$6,674.25	\$52,605.72	\$391,128.61
Payment 22	6/22/2023	\$5,850.86	\$59,279.97	\$5,850.86	\$53,429.11	\$337,699.50
Payment 23	12/22/2023	\$5,079.37	\$59,279.97	\$5,079.37	\$54,200.60	\$283,498.90
Payment 24	6/22/2024	\$4,264.13	\$59,279.97	\$4,264.13	\$55,015.84	\$228,483.06
Payment 25	12/22/2024	\$3,436.64	\$59,279.97	\$3,436.64	\$55,843.33	\$172,639.73
Payment 26	6/22/2025	\$2,582.50	\$59,279.97	\$2,582.50	\$56,697.47	\$115,942.26
Payment 27	12/22/2025	\$1,743.90	\$59,279.97	\$1,743.90	\$57,536.07	\$58,406.19
Payment 28	6/22/2026	\$873.69	\$59,279.88	\$873.69	\$58,406.19	\$0.00