

FUPWG Fall Meeting 2014 GSA Status Update

Mark Ewing
Director
Energy Division
Public Buildings Service
General Services Administration

Overview

- Areawides
- UESCs
- Renewables

GSA Areawides

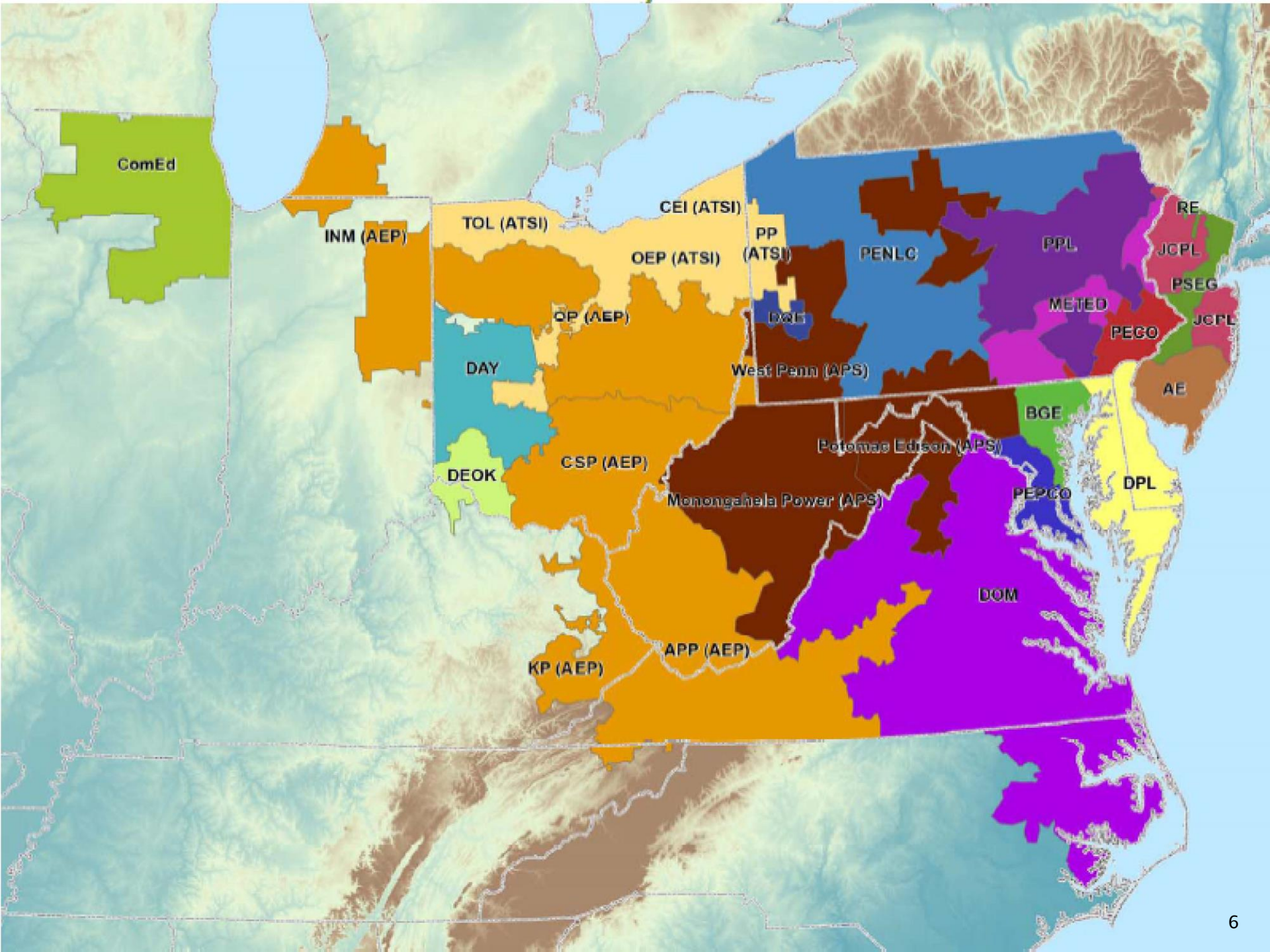
- ▶ 110 total
- ▶ 6 brand new utility negotiations
- ▶ 6 ongoing renewal actions
- ▶ 4 recently renewed
 - MidAmerican Energy
 - Navajo Tribal Utility Authority
 - Northern Virginia Electric Coop
 - Vectren Energy Delivery of Ohio, Inc.

GSA UESCs

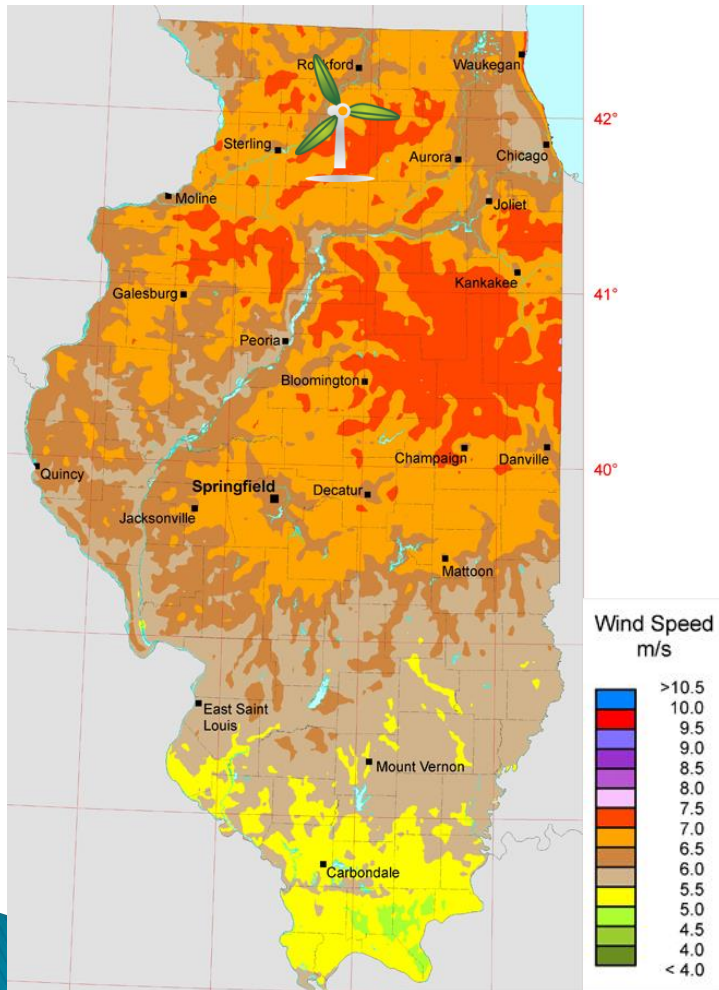
- ▶ Several UESC opportunities fell out of first round consideration
 - Loan issues
 - M&V and Guarantee agreements
- ▶ Two UESCs currently in negotiation
 - Region 1 and 4
 - Multiple buildings per UESC
 - Total estimated award cost @ \$35 million

GSA Wind Supply Opportunity





Proposed Location



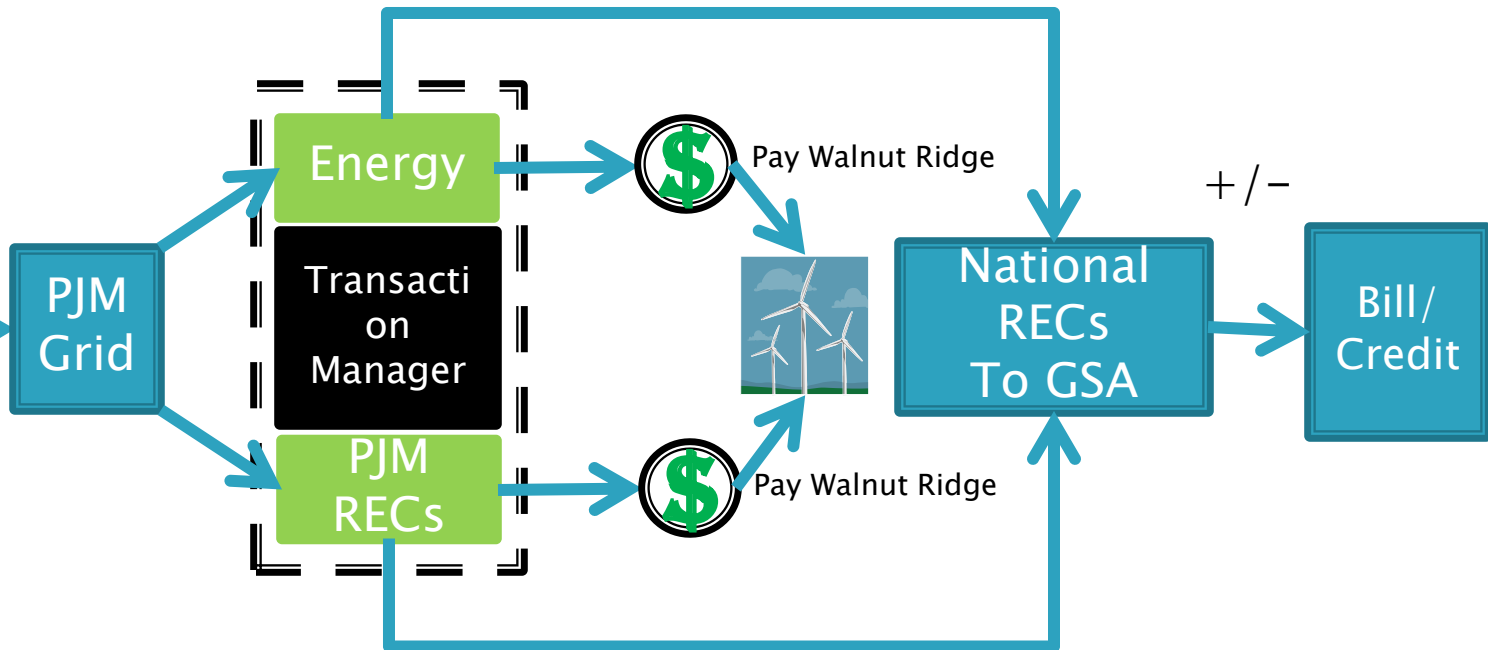
- Size: 100-210 MegaWatts
- Location: Bureau County, IL
- Planned COD: December 2014 or 2015
- Site Control: 17,000 acres
- Wind Resource Assessment: 7.4 m/s
- Annual Production Estimate: 350,000 - 725,000 MWh

GSA's Renewable Mandate

- ▶ Interim 2013 renewable energy goal of 15% met and exceeded
- ▶ Still short of 2020 goal to be 30% renewable
- ▶ Renewable Power supply is an excellent method of meeting these goals

Mechanics of Supply

- MG2 would deliver power into grid at the nearest delivery node.
- GSA would enter into a contract with a retail electric supplier in order to move that power to GSA facilities.
- GSA will direct its supplier to take the Walnut Ridge electricity and blend it with other system and block purchase power for delivery to our buildings.
- For power put into the grid in one place (i.e. the source) and taken out in another place (i.e. sink), the difference in the values at the source and sink are added (or subtracted) to the base price.



Conclusion

- The expiring Production Tax Credit (PTC) for wind gives buyers last chance to purchase low cost renewable energy
- Long term contracts (10-25 years) reduces exposure to future price volatility
- We can buy wind energy below the expected future price of electricity if there is a long term contract in place
- This project is the first of its kind and provides an opportunity for GSA to make a highly visible statement of our prioritization of taxpayer and environmental stewardship