



Del Mesa
Carmel

Energy & Solar Report -
Summary & Action Plan

Executive Summary

- Del Mesa Carmel has paid PG&E \$360k for services related to electricity generation and distribution over the past 12 months (between 10/2019 and 9/2020)
- By electing to 'ditch' PG&E and purchase site-generated solar electricity and energy-efficiency savings, Del Mesa will save **\$75k in Year One** with zero capital outlay. Savings will add up to **over \$6.9 Million** throughout the 25-year lifespan of the agreement.
- Mynt Systems has conducted an Energy Study that confirms the viability and constructability of the above savings and Del Mesa is guaranteed results
- Mynt will Design, Engineer, Build, and Maintain the Solar and Energy Efficiency (EE) Installation. Our "Tax Equity" investor will fund and operate the Solar/EE Installation and sell the energy back to Del Mesa Carmel through a Solar Energy Services Agreement (SESA).
- Del Mesa's SESA energy rate (\$0.18/kWh) will start at 25% below PG&E rates (\$0.24/kWh) and the SESA inflation rate will be half of PG&E expected inflation rate = **Excellent Hedge against rising utility costs.**

Del Mesa Current Electricity Costs

\$360k

Current cost of energy: \$0.24/kWh

Del Mesa Future Electricity Costs

\$285k

Future cost of energy: \$0.18/kWh

Annual Savings: \$75k
Capital Expense required: \$0

The Opportunity:

- Del Mesa Carmel has the opportunity to save **\$75,000** on their annual electricity costs at no capital expense to the Association or its members.



Energy Efficiency



➤ Energy Efficiency Measures Included* in Project Summary:

- Clubhouse LED Lighting
- Pathway LED Lighting
- Clubhouse Web-Based HVAC Controls
- Clubhouse Indoor Air Quality Sensors
- Clubhouse Demand Control Ventilation
- Kitchen Ventilation Fan Upgrade
- Clubhouse Indoor Fan Upgrade

➤ Energy Efficiency Measures Analyzed But Not Included in Project Summary:

- Pool Pump VFDs (existing VFDs)
- Residence LED Lighting
- Water Pump VFDs (existing VFDs)
- Walk-In Cooler/Freezer Evap Motor Fans Upgrade

**project metrics assume Del Mesa maintenance staff self-installs EEM measures with consulting and install support from Mynt Systems*

Conceptual Solar Layout

- The project will consist of a combination of rooftop and carport solar panel systems
- Total solar electricity production will equal Del Mesa's current electricity consumption; *Del Mesa will be 100% powered by solar*
- System location choice was based on viability (shade) and build cost; *Larger systems = lower build cost = more savings for Del Mesa*
- Current design utilizes 57 rooftops (primarily 2-4+ unit buildings, clubhouse and poolhouse) and 5 carports. Although the design is subject to change upon final engineering, Del Mesa's savings of \$75k will not



Image above shows representational depiction of solar layout including shade analysis and is for reference only

Electricity Cost Analysis

Current Site Consumption - Del Mesa Carmel - Carmel, CA

Del Mesa Carmel is currently spending ~\$360,000* per year on principally *non-renewable* electricity sources.
85% of these costs are from the residential meters, 15% are from the common area meters

2019-2020		Del Mesa Monthly Electricity Costs		
		Total	Residences & Laundry/Walkways	Common Areas
2019	October	\$29,108	\$23,923	\$5,185
2019	November	\$30,052	\$25,103	\$4,949
2019	December	\$37,718	\$33,103	\$4,615
2020	January	\$31,099	\$27,196	\$3,903
2020	February	\$37,416	\$33,281	\$4,135
2020	March	\$33,837	\$29,649	\$4,188
2020	April	\$21,815	\$17,782	\$4,033
2020	May	\$27,562	\$23,770	\$3,792
2020	June	\$21,298	\$17,599	\$3,699
2020	July	\$26,097	\$22,058	\$4,039
2020	August	\$31,282	\$26,181	\$5,101
2020	September	\$33,440	\$28,692	\$4,748
	Total	\$360,724	\$308,337	\$52,387

*Cost aggregation includes all electricity costs from (4) Del Mesa PG&E accounts: 3911660935-3, 0459657376-8, 7939257100-0, and 6889737322-8

Project Performance

Solar Energy Services Agreement

500 Del Mesa Carmel *Carmel-By-the-Sea, CA*

<i>Initial Investment:</i>	<i>\$0</i>
<i>First Year Savings:</i>	<i>\$75,075</i>
<i>Cumulative Savings (25yr):</i>	<i>\$6.9 million</i>
<i>SESA Term:</i>	<i>25 years</i>
<i>Maintenance Costs:</i>	<i>\$0</i>
<i>Project Life:</i>	<i>+25 years</i>

Carbon Offset: 53,267,000 lbs.
Equivalent to 2,534,000 gallons of gasoline consumed
Equivalent to 33,819 acres of US Forests

**Fair Market Value is TBD by independent appraisal upon sale of system by owner*

**All performance estimates are based on standard industry assumptions and will be confirmed upon further engineering*

Economic Proforma - Del Mesa 25-Year SESA

Year	Project Investment	Del Mesa Utility Savings	Solar Production (kWh)	Solar Energy Rate (\$/kWh)	Solar Energy Payments**	Del Mesa Net Savings	Operations and Maintenance	Cumulative Cash Flow
	(A)	(B)	(C)	(D)	(E) = (C) x (D)	(F)=(B-E)	(G)	
1	\$0	\$321,986	1,379,392	\$0.179	(\$246,911)	\$75,075	\$0	\$75,075
2		\$336,411	1,372,495	\$0.182	(\$254,762)	\$81,649	\$0	\$156,724
3		\$351,473	1,365,598	\$0.186	(\$258,236)	\$93,237	\$0	\$249,960
4		\$367,200	1,358,701	\$0.189	(\$261,753)	\$105,448	\$0	\$355,408
5		\$383,622	1,351,804	\$0.193	(\$265,311)	\$118,311	\$0	\$473,719
6		\$400,768	1,344,907	\$0.197	(\$268,912)	\$131,856	\$0	\$605,575
7		\$418,669	1,338,010	\$0.200	(\$272,555)	\$146,114	\$0	\$751,689
8		\$437,358	1,331,113	\$0.204	(\$271,824)	\$165,535	\$0	\$917,224
9		\$456,870	1,324,217	\$0.208	(\$275,553)	\$181,317	\$0	\$1,098,540
10		\$477,240	1,317,320	\$0.212	(\$279,326)	\$197,913	\$0	\$1,296,454
11		\$498,504	1,310,423	\$0.216	(\$283,143)	\$215,361	\$0	\$1,511,814
12		\$520,701	1,303,526	\$0.220	(\$287,004)	\$233,697	\$0	\$1,745,511
13		\$543,873	1,296,629	\$0.224	(\$290,910)	\$252,962	\$0	\$1,998,474
14		\$568,059	1,289,732	\$0.229	(\$294,861)	\$273,198	\$0	\$2,271,672
15		\$593,304	1,282,835	\$0.233	(\$298,856)	\$294,448	\$0	\$2,566,120
16		\$619,654	1,275,938	\$0.237	(\$302,897)	\$316,757	\$0	\$2,882,877
17		\$647,156	1,269,041	\$0.242	(\$306,984)	\$340,172	\$0	\$3,223,049
18		\$675,858	1,262,144	\$0.246	(\$311,116)	\$364,742	\$0	\$3,587,791
19		\$705,813	1,255,247	\$0.251	(\$315,295)	\$390,518	\$0	\$3,978,309
20		\$737,074	1,248,350	\$0.256	(\$319,521)	\$417,553	\$0	\$4,395,862
21		\$761,654	1,241,453	\$0.261	(\$323,793)	\$437,862	\$0	\$4,833,724
22		\$795,294	1,234,556	\$0.266	(\$328,112)	\$467,182	\$0	\$5,300,906
23		\$830,394	1,227,659	\$0.271	(\$332,478)	\$497,916	\$0	\$5,798,822
24		\$867,015	1,220,762	\$0.276	(\$336,892)	\$530,123	\$0	\$6,328,945
25		\$905,222	1,213,865	\$0.281	(\$341,353)	\$563,869	\$0	\$6,892,814
TOTALS	\$0	\$14,221,173			(\$7,328,358)	\$6,892,814	\$0	\$6,892,814

Assumed PG&E Rate Inflation	5%
Del Mesa 25 Year Savings	\$6,892,814
Initial Solar Energy Rate (\$/kWh)	\$0.179
Solar Rate Inflation	1.9%
Year 10 Buyout*	TBD

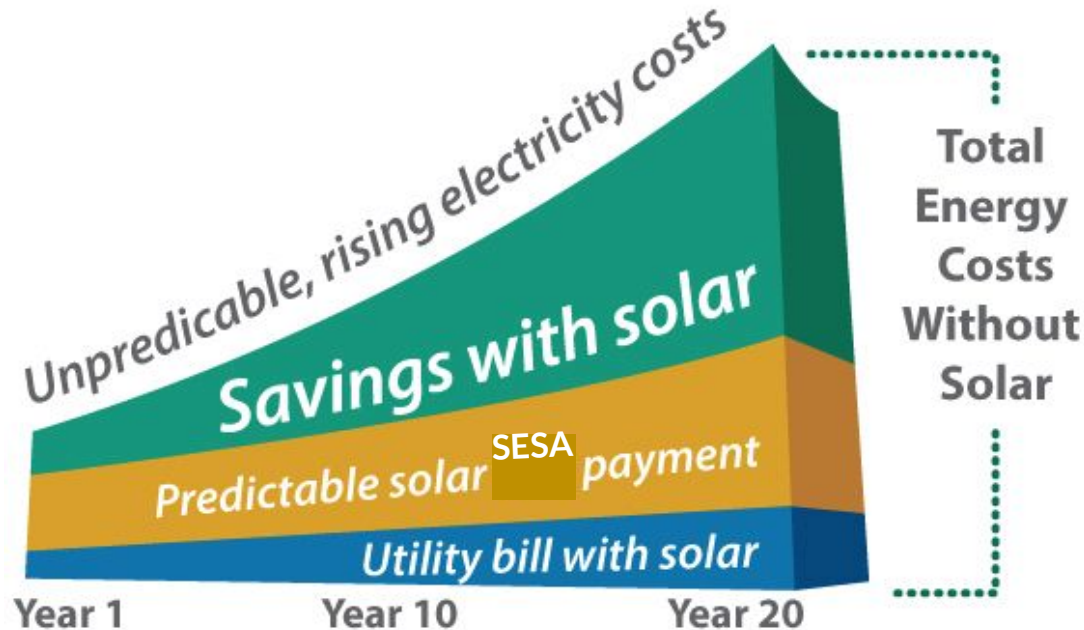
Indicative Project Schedule

Task Name	Start Date	End Date	%	Q3			Q4			Q1			Q2			Q3			Q4			Q1			Q2		
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
0																											
Phased Del Mesa Schedule	11/15/20	11/18/21																									
Phase 1	11/15/20	04/08/21																									
Phase 1 Initial Engineering	11/15/20	11/26/20																									
Phase 1 PG&E Review	11/27/20	02/11/21																									
Phase 1 Engineering	11/27/20	01/07/21																									
Phase 1 Permit	01/08/21	02/11/21																									
Phase 1 Construction	02/12/21	03/25/21																									
Phase 1 PTO	03/26/21	04/08/21																									
Phase 2	01/08/21	06/03/21																									
Phase 2 Initial Engineering	01/08/21	01/21/21																									
Phase 2 PG&E Review	01/22/21	04/08/21																									
Phase 2 Engineering	01/22/21	03/04/21																									
Phase 2 Permit	03/05/21	04/08/21																									
Phase 2 Construction	04/09/21	05/20/21																									
Phase 2 PTO	05/21/21	06/03/21																									
Phase 3	03/05/21	07/29/21																									
Phase 3 Initial Engineering	03/05/21	03/18/21																									
Phase 3 PG&E Review	03/19/21	06/03/21																									
Phase 3 Engineering	03/19/21	04/29/21																									
Phase 3 Permit	04/30/21	06/03/21																									
Phase 3 Construction	06/04/21	07/15/21																									
Phase 3 PTO	07/16/21	07/29/21																									
Phase 4	04/30/21	09/23/21																									
Phase 4 Initial Engineering	04/30/21	05/13/21																									
Phase 4 PG&E Review	05/14/21	07/29/21																									
Phase 4 Engineering	05/14/21	06/24/21																									
Phase 4 Permit	06/25/21	07/29/21																									
Phase 4 Construction	07/30/21	09/09/21																									
Phase 4 PTO	09/10/21	09/23/21																									
Phase 5	06/25/21	11/18/21																									
Phase 5 Initial Engineering	06/25/21	07/08/21																									
Phase 5 PG&E Review	07/09/21	09/23/21																									
Phase 5 Engineering	07/09/21	08/19/21																									
Phase 5 Permit	08/20/21	09/23/21																									
Phase 5 Construction	09/24/21	11/04/21																									
Phase 5 PTO	11/05/21	11/18/21																									

- Based on mid November 2020 SESA execution
- First construction begins/completes mid February
- First PTO achieved in early April
- Final construction completed in early November 2021
- Final PTO achieved late November 2021
- Project split into 5 phases of between 100 kW and 150 kW
- Phases driven by engineering on each section
- Residential systems can be engineered, permitted and constructed more quickly
- Start to finish approximately 1 year

Financing Option - SESA

Effective Hedge Against Rising PG&E Costs





Financing Option - Solar Energy Services Agreement

No Money Down: Unlike a direct system purchase, there are no up-front costs associated with enjoying the immediate savings from the system.

Immediate Savings: The instant your system is energized, you start saving on your electricity bill. In addition, savings increase over time as grid electricity prices rise at a higher escalation rate than PG&E.

Pay Only for the Energy Your System Produces: With SESA, if your system doesn't perform, you don't pay. You buy the electricity that is produced at a guaranteed low rate every month.

Predictable Long-Term Costs: In California, electricity rates increase faster than any other state in the nation. With a SESA you get long-term predictability and a hedge against rising electricity costs for the next 25 years or more.

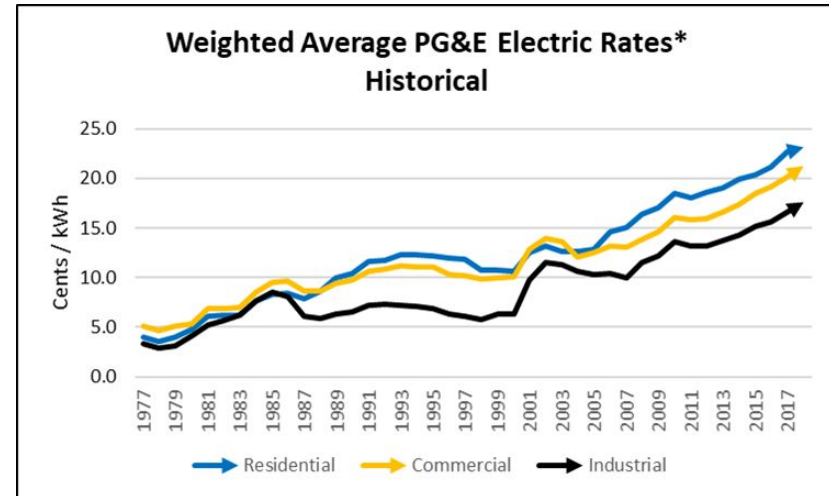
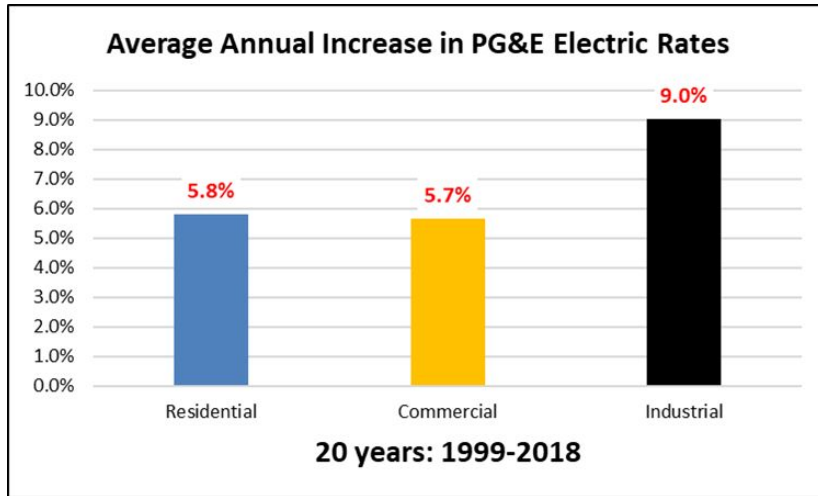
No Maintenance Costs or Worry: Your SESA partner will maintain the system and will have a vested financial interest in making sure the system runs efficiently.

Off-Balance Sheet: If you are not in a position to take advantage of tax incentives, a SESA is an ideal way to reduce your energy costs without an impact to your balance sheet. A SESA is not a loan; it is a long-term service contract that qualifies as off-balance sheet.

Buy-Out Flexibility: Upon request, we are providing the option for you to purchase your solar system during the SESA term at a reduced cost.

PG&E Rate History

The question is no longer can you afford it, but rather, ***can you afford not to?***



**Data based on historical rate information taken from pge.com*

Del Mesa: An Environmentally & Fiscally Responsible Community

- Proudly display Del Mesa's commitment to sustainability
- Lower HOA costs for residents
- Attract like-minded homeowners

The sum of the greenhouse gas emissions from the energy efficiency savings over 25 years is equivalent to eliminating **52 Million pounds of CO₂**

This is equivalent to carbon sequestered from:



Our Clients



BOYS & GIRLS CLUB



Graniterock®



a Western Digital brand



Gunlocke®



WESTIN®
HOTELS & RESORTS



joie de vivre

HOTELS  RESORTS



Thank you.