

## **BILL/ RESOLUTION REQUEST**

- 1. Title:** Approve a loan agreement (AR1A001) with Constellation Solar V, LLC to authorize the Airport to loan Constellation \$7,500,000 to partially defray the cost to construct a 4.5MWDC PV solar plant located near the DIA fuel storage facility.
  
- 2. Requesting Agency:** DIA
  
- 3. Contact Person *with actual knowledge of proposed ordinance***  
**Name:**Woods Allee  
**Phone:**303-342-2632  
**Email:**woods.allee@flydenver.com
  
- 4. Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary***  
**Name:**Brian Elms  
**Phone:**303-342-2278  
**Email:**brian.elms@flydenver.com
  
- 5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved**
  - a. Scope of Work**

The Airport requests approval to enter into a loan agreement with Constellation Solar V, LLC to develop a 4.5MWDC photovoltaic (PV) solar electricity generating system that will provide power to the grid that will be used on the DIA site.

This request is to approve a loan agreement to authorize the Airport to loan \$7,500,000 to Constellation Solar V, LLC at a rate of 5.5% for a term of 20 years. The loan will be repaid in 20 equal annual installments from power and Renewable Energy Certificate (REC) revenues. The loan will be collateralized by the solar system and REC payments made to the owner through the Solar Rewards Program. This provides low cost capital to the investment partners that lowers the power purchase price to less than Xcel rates.
  - b. Duration**

20 years
  - c. Location**

DIA
  - d. Affected Council District**

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  - e. Benefits**

These agreements taken together will reduce energy costs to the airport over the contract term by more than \$600,000 on a net present value basis, preserve jobs, provide a hedge

against energy cost increases, reduce CO2 emissions related to generation of conventional grid power and increase the airport's investment income.

**f. Costs**

\$12,551,900

**6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.**

No.

**Bill Request Number: BR10-0564**

**Date: 6/23/2010**