



300 West 4th Street  
Craig, Colorado 81625

Dear Ms. DelliQuandri,

The Craig City Council has reviewed the Regional Solar Project summary for net metering as it has been developed by McKinstry Essention, LLC. It is understood that McKinstry, as a pre-approved Colorado Energy Office (CEO) Energy Service Company (ESCO) has developed a plan to replace power consumed by the utility plants with renewable solar power over a 30-year period.

In August we understand that Steamboat Springs will submit a DOLA grant request on behalf of the Net Metering Regional Solar Partnership. The grant for all the partnership's project totals equals \$1,921,812.60, which includes a 10% contingency of \$469,257. The match amount for the Craig projects would be covered in full through a guaranteed Performance Contract as managed by the Colorado Energy Office (CEO).

This City of Craig also agrees that the DOLA grant funding of \$109,429 reflects the Wastewater Treatment Plant (WWTP) DOLA funding requirement for a project total of \$528,279. The DOLA funding contribution as defined by McKinstry for the Water Treatment Plant (WTP) is \$113,989 for a projected project cost of \$431,979.

As a pre-approved Energy Service Company (ESCO), McKinstry has demonstrated through a competitive solicitation the ability to undertake a variety of projects with a high level of success and satisfaction from its clients. The table below describes the benefit of a net metered PV array for the WTP and WWTP in Craig in terms of annual savings and return-on-investment over the first 10 year live of the array.

Location	Annual YVEA Cost of Power Consumed 2019	Solar Project Cost	Solar Annual Savings	DOLA Grant Funding	Estimated Return on Investment	Match Amount Required
Wastewater Treatment	\$122,499	\$528,279	\$41,885	\$109,429	10 Years	\$418,850
Water Treatment Plant	\$137,554	\$431,979	\$31,799	\$113,989	10 Years	\$317,990

On behalf of the City of Craig, the City Council supports the DOLA grant application being submitted by the City of Steamboat Springs for the partnership funding of construction of the PV Arrays for these locations specific to Craig. It is also understood that as part of the process, each jurisdiction will be negotiating and working with the ESCO individually for the construction of these arrays.

The City of Craig fully appreciates the project coordination that the City of Steamboat Springs has provided in the development of this project and together we look forward to achieving a successful outcome.

Sincerely,  
Jarrod Ogden, Mayor  
The City of Craig