

MUNICIPAL UTILITIES AND ELECTRIC COOPERATIVES OPT FOR LONG-TERM RENEWABLES TOWNSITE CASE STUDY

CHALLENGE - New grid infrastructure and market developments require creative ideas to manage supply and demand.

OPPORTUNITY - Electric Cooperatives and Municipal Utilities are stepping up to the plate to balance renewable penetration with economics.

DELIVERY - Townsite Solar is the convergence of two utilities integrating these concepts into their procurement strategy and securing reliable, renewable generation well into the future.

- 240MWdc of photovoltaic capacity delivering more than 500,000 MWh per year
- Co-located 90MW/360MWh energy storage system providing firm generation delivering to Nevada and California, managed 24x7 by Arevon Energy.
- Mutually beneficial, long-term relationship created between all three organizations.



LONG-TERM, TRUSTED PARTNER

Historically, municipal utilities and co-ops have purchased from power marketers bringing with it a host of challenges. Unpredictable generation sources coupled with the added cost and reliability risk and exposure to non-firm transmission needed to transport the energy to the municipal and co-op systems.

Further, large investor-owned utilities have become less willing to partner with the smaller municipal utilities and co-ops, leaving them to procure and implement new sources of power on their own. With so many different power marketers, developers, and solutions available, it is hard to know who to trust and who will be there as a long-term partner, not just a vendor.

For municipal utilities and co-ops, the Energy and Asset Management group of CapitalDynamics, Arevon Energy, is a reliable source of power at a competitive fixed price, and a true partner that will help implement needed changes, all while being at their side for the long-haul.

"Reducing risk while navigating the volatile swings in pricing from the energy markets has always been our top priority. We wanted to lock in a financially secure and environmentally friendly long-term product. Arevon was able to provide us with a 20-year fixed-volume PPA that delivered 24x7 power at a lower cost than what we were paying today."

Mark Stallons, CEO of Valley Electric



AREVON DE-RISKS RENEWABLES, LOWERS COSTS

Nevada's Valley Electric Association and the city of Glendale, California chose Arevon Energy Management as a partner for the company's expertise in reducing volatile energy pricing while enhancing reliability and increasing renewable sources of power. Arevon will provide power across California and three balancing areas from its 240 MWdc Townsite Solar project located in Boulder, Nevada. It is the largest hybrid renewable energy plant in the world servicing fixed volume power purchase agreements.

- Solar generation supported by a 90MW/360 MWh battery system, increasing system reliability, capacity, and ancillary service deliveries
- Reduced the need for buying market power to meet delivery obligations when there is little or no solar generation
- 24x7 power asset management
- Power delivered from a local, physical "steel-in-the-ground" asset directly connected to MEAD substation
- Risk mitigation – Arevon assuming risk of surplus or deficit power responsibilities
- Lower costs – distributed generation blended with utility-scale power into one low price

CITY OF GLENDALE

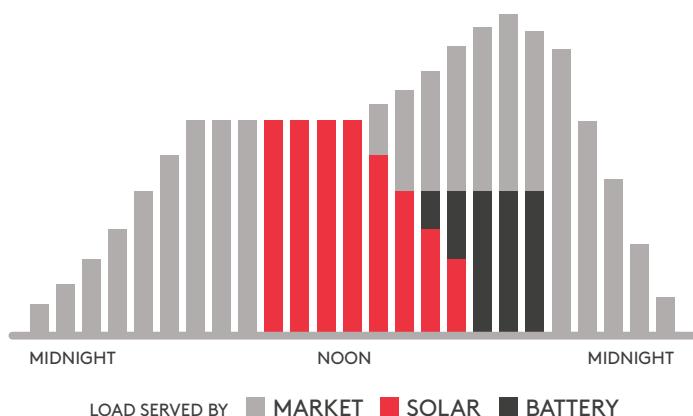
REQUIREMENTS

- High penetration of renewable and clean energy
- Eliminate need to look for new sellers on a regular basis
- No more hassling with traditional developer "asset flippers"

SOLUTION

- Arevon was the only provider able to deliver the near 100% renewable penetration that the city desired
- Long-term partnership, direct access to Arevon's senior management
- Excellent customer service, including regular communication

FIRM SUPPLY



VALLEY ELECTRIC ASSOCIATION

REQUIREMENTS

- Replace costly short term agreements for traditional electric generation
- Stable, reliable partnership

SOLUTION

- Arevon delivering significantly lower costs
- Arevon was the only provider able to offer a fixed price, structured deal beyond 10 years
- 20-year partnership backed by a physical generation asset

As the energy market transitions away from fossil fuels, more and more cities are adopting renewable goals. However, their ambitions are not always matched with expertise on how to reach those targets from an integration perspective. Municipal utilities and electric co-ops need a one-stop solution that simplifies energy procurement and management, asset management, provides savings, and mitigates risks. Arevon provides these benefits, along with being a long-term owner and partner that customers can count on.