

Executive Summary

The Metropolitan Area Planning Council (MAPC) issued a Request for Qualifications (RFQ) to Energy Service Companies (ESCOs) to provide for Comprehensive Energy Management Services for 14 of its member communities. Ameresco submitted a proposal and was subsequently awarded the program.

The procurement allows the participating member communities to enter into energy contracts without further solicitation. Ameresco is currently under contract with the Town for an Energy Services Agreement (ESA) which will enable the design and construction of Energy Conservation Measures (ECMs) through the municipal and school buildings.

Under this proposal, Ameresco offers to engineer, procure, and construct solar PV systems utilizing a Power Purchase Agreement (PPA) with the Town. Ameresco distinguishes itself by building 100% of the projects it is awarded, thus assuring the Town receives the expected solar PV benefits.

The PPA price is dependent on ever changing regulations for SRECs and Net Metering, which requires projects to move quickly from design, permitting, construction, utility witness test, and finally to the authorization to interconnect. Ameresco has the capital and lines of credit to move quickly to engineer and file the necessary permits to meet the regulatory deadlines.

Proposed Solar PV Project

Ameresco propose to install four (4) solar PV systems for the Town of Wayland with a total capacity of **1,288.9kW_DC** delivering **1,537,144kWh** of electricity in the first year. The projects will be engineering, designed, constructed, owned and operated by Ameresco and will required no upfront cost or capital expenditure from the Town of Wayland.. The following four (4) town of Wayland facilities are proposed:

- High School Parking Lot (Carport installation): 587.4kW_DC
- Middle School Parking Lot (Carport installation): 230.6kW_DC
- Town Building Parking Lot (Carport installation): 247.1kW_DC
- DPW Building (Roof mounted installation): 223.8kW_DC

The four proposed systems were evaluated with the assistance of Town committees including: Energy Committee, DPW, School Committee, Buildings Committee, and Conservation Committee. All systems are proposed to be interconnected to the existing utility grid to net meter electricity generated by the systems to existing Town of Wayland electric accounts. The Town of Wayland will be the Host Customer assigned to each new meter installed by the utility. The three carport systems will provide the Town of Wayland with a highly visible demonstration of its commitment to reducing the Town's dependence on traditional carbon emitting sources. The roof mounted system at the new DPW Facility will take advantage of design considerations incorporated into the building's construction to support a solar PV system on its roof. All of

the projects will contribute to the project's economic benefit to the Town in the form of electricity cost savings and a structured tax payment to be paid to the Town by Ameresco.

Proposed power purchase price:

- First Year Power Purchase Price: \$0.128/kWh, escalating 2% annually
- Fixed Tax Adder: \$0.0195/kWh
- Fixed Decommissioning Bond Adder: \$0.003/kWh
- Total First Year Purchase Price, \$0.1505/kWh

Benefits to the Town:

- Annual tax revenue: \$30,000 per year
- First Year Electricity Savings: \$153,477
- Total First Year Benefit: \$183,477
- Estimated 20 Year Benefit (electric savings plus tax rev.): \$4,284,708

Summary of Project Benefits

Zero capital cost

Ameresco will finance and own the solar PV system – eliminating the need for the Town to use its capital or bonding authority.

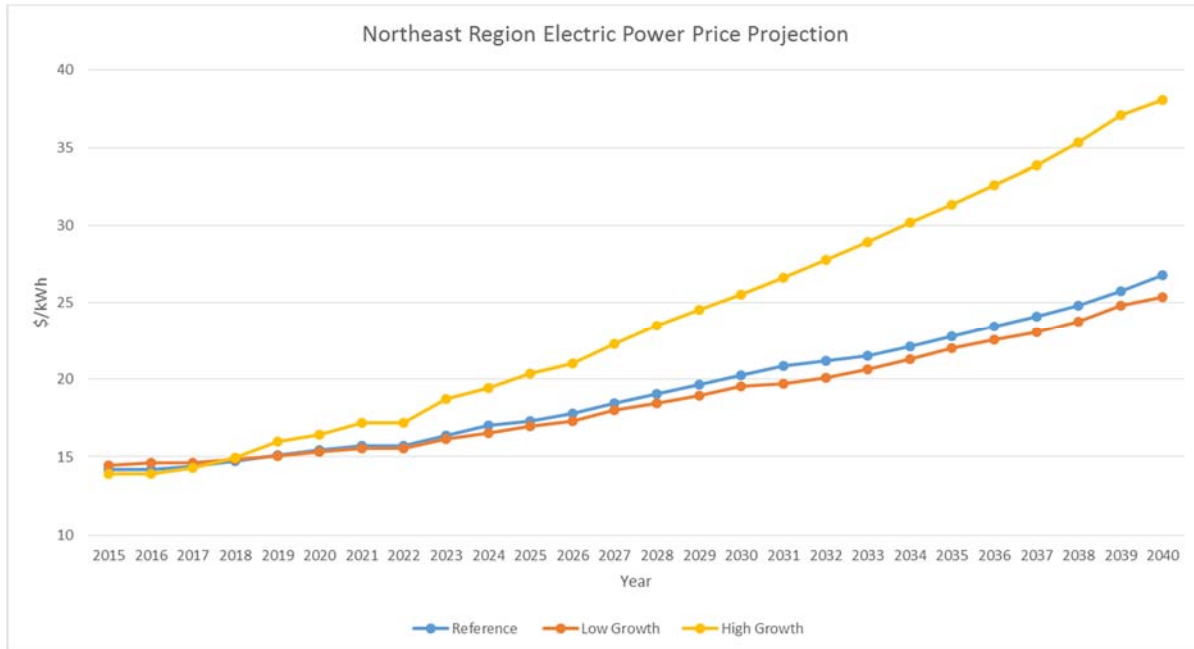
Zero operation and maintenance cost

Ameresco will maintain, repair, and operate the system – eliminating this item from the Town's future operating budget.

Electricity price hedge

The solar PV price is set by the PPA for 20-years and does not vary with the price changes in the future electricity market. The U.S. Energy Information Agency projects Northeast retail power pricing to escalated between 3% and 7% annually between 2015 and 2040.

> Average Annual Electricity Price Growth Rates:



Average Annual Growth Rate (2015-2040)		
Reference	Low Growth	High Growth
3.55%	3.04%	6.94%
Average Annual Growth Rate (2015-2025)		
Reference	Low Growth	High Growth
2.22%	1.75%	4.61%
Average Annual Growth Rate (2025-2035)		
Reference	Low Growth	High Growth
3.16%	2.97%	5.40%

Source: Energy Information Agency, 2015

Electricity cost savings

Utilizing Net Metering, the Town will receive cost savings each year during the life of the project, as shown below. Net Metering credits will be valued at the B5 rate by installing all systems in front of the meter, B5 net metering credit value is \$0.2504/kWh

> Projected Project Benefits to Town of Wayland:

Town of Wayland Solar PV: Summary of Project Benefits										
Contract Year	kWh Produced	Net Metering Credit Rate	Power Price	Tax Adder	Decomm. Adder	Ameresco PPA Rate	Net Metering Credit Less PPA Rate	Yearly PPA/ Net Metering Benefit	Annual Tax Payment	Total Benefit
1	1,537,144 kWh	\$0.2504 /kWh	\$0.1280 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1505 /kWh	\$0.0998 /kWh	\$153,477	\$30,000	\$183,477
2	1,529,458 kWh	\$0.2554 /kWh	\$0.1306 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1531 /kWh	\$0.1023 /kWh	\$156,453	\$30,000	\$186,453
3	1,521,811 kWh	\$0.2605 /kWh	\$0.1332 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1557 /kWh	\$0.1048 /kWh	\$159,469	\$30,000	\$189,469
4	1,514,202 kWh	\$0.2657 /kWh	\$0.1358 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1584 /kWh	\$0.1073 /kWh	\$162,527	\$30,000	\$192,527
5	1,506,631 kWh	\$0.2710 /kWh	\$0.1386 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1611 /kWh	\$0.1099 /kWh	\$165,627	\$30,000	\$195,627
6	1,499,097 kWh	\$0.2764 /kWh	\$0.1413 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1638 /kWh	\$0.1126 /kWh	\$168,770	\$30,000	\$198,770
7	1,491,602 kWh	\$0.2819 /kWh	\$0.1441 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1667 /kWh	\$0.1153 /kWh	\$171,957	\$30,000	\$201,957
8	1,484,144 kWh	\$0.2876 /kWh	\$0.1470 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1695 /kWh	\$0.1180 /kWh	\$175,187	\$30,000	\$205,187
9	1,476,723 kWh	\$0.2933 /kWh	\$0.1500 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1725 /kWh	\$0.1209 /kWh	\$178,463	\$30,000	\$208,463
10	1,469,340 kWh	\$0.2992 /kWh	\$0.1530 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1755 /kWh	\$0.1237 /kWh	\$181,783	\$30,000	\$211,783
11	1,461,993 kWh	\$0.3052 /kWh	\$0.1560 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1785 /kWh	\$0.1266 /kWh	\$185,150	\$30,000	\$215,150
12	1,454,683 kWh	\$0.3113 /kWh	\$0.1592 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1817 /kWh	\$0.1296 /kWh	\$188,564	\$30,000	\$218,564
13	1,447,409 kWh	\$0.3175 /kWh	\$0.1623 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1849 /kWh	\$0.1327 /kWh	\$192,026	\$30,000	\$222,026
14	1,440,172 kWh	\$0.3239 /kWh	\$0.1656 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1881 /kWh	\$0.1358 /kWh	\$195,535	\$30,000	\$225,535
15	1,432,972 kWh	\$0.3303 /kWh	\$0.1689 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1914 /kWh	\$0.1389 /kWh	\$199,094	\$30,000	\$229,094
16	1,425,807 kWh	\$0.3370 /kWh	\$0.1723 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1948 /kWh	\$0.1422 /kWh	\$202,703	\$30,000	\$232,703
17	1,418,678 kWh	\$0.3437 /kWh	\$0.1757 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.1982 /kWh	\$0.1455 /kWh	\$206,362	\$30,000	\$236,362
18	1,411,584 kWh	\$0.3506 /kWh	\$0.1792 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.2017 /kWh	\$0.1488 /kWh	\$210,072	\$30,000	\$240,072
19	1,404,526 kWh	\$0.3576 /kWh	\$0.1828 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.2053 /kWh	\$0.1522 /kWh	\$213,835	\$30,000	\$243,835
20	1,397,504 kWh	\$0.3647 /kWh	\$0.1865 /kWh	\$0.0195 /kWh	\$0.0030 /kWh	\$0.2090 /kWh	\$0.1557 /kWh	\$217,650	\$30,000	\$247,650
Total	29,325,478 kWh							\$3,684,708	\$600,000	\$4,284,708

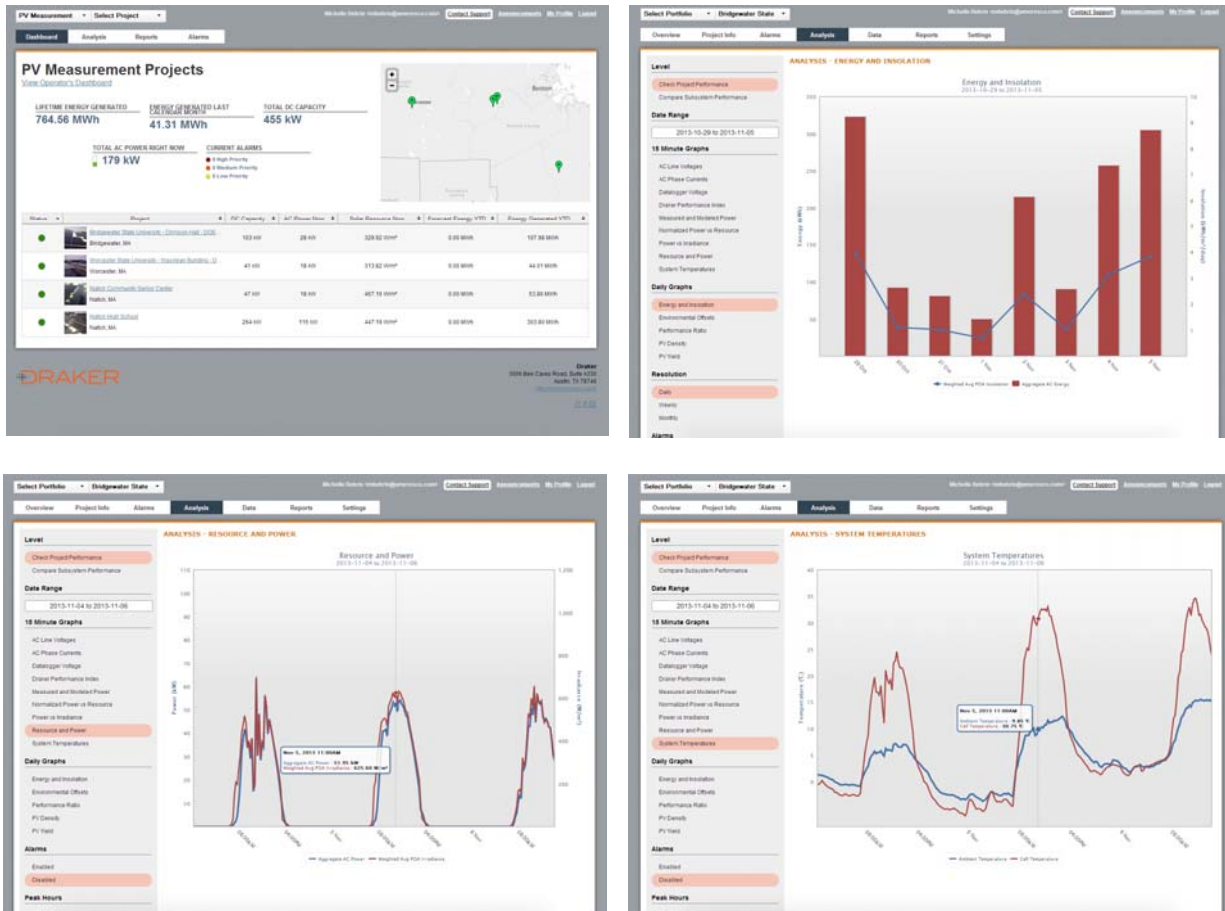
Sustainability Education: Online Environmental Benefits Display

Ameresco proposes to use Draker for Data Acquisition hardware and software. Draker (<http://www.drakerenergy.com/>), founded in 1999, is a global leader in performance monitoring and control of solar power systems. Draker was the first company in the U.S. to provide independent monitoring and performance analysis data of energy produced by solar PV arrays. To date, Draker's monitoring and management systems have been deployed at over 800 solar PV sites with more than 700MW under management.

Draker offers a suite of software solutions to monitor site specific actual kWh generation and actual weather data. The following images provide a sampling of analysis tools available on their dashboard.

Ameresco will install an LCD monitor at a location specified by the Town of Lenox to publically display all data collected by the DAS. Other municipalities have requested the installation of the LCD monitor to be at Town or City Hall, in schools, and other public buildings.

> Draker Dashboard



Project Design and Construction

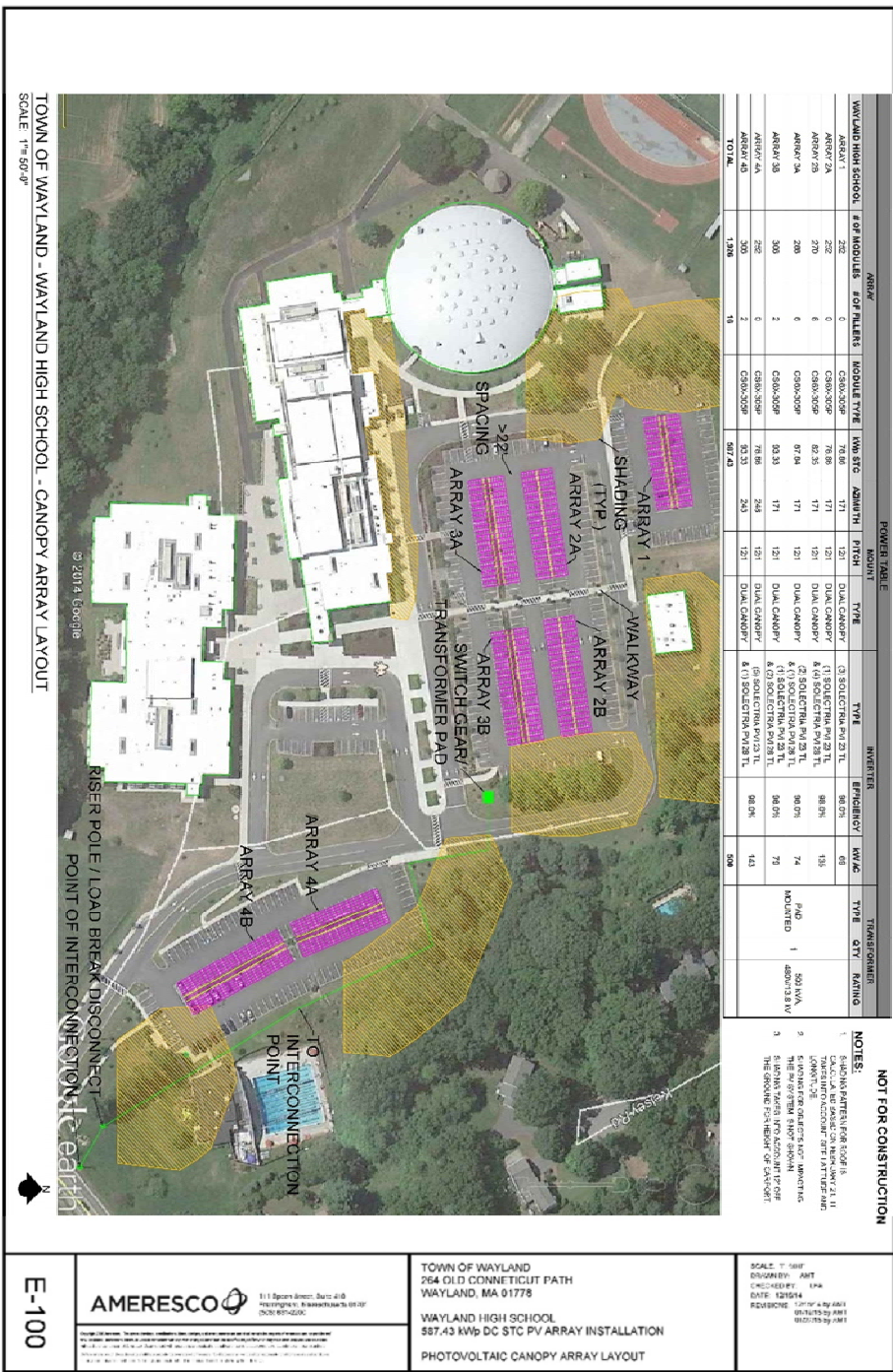
> Carport Structures:

- **Summer Construction:** Project construction will be timed to prioritize the summer installation of systems at Middle School and High School parking lots to minimize disruption to parking and school access during the school year
- **Snow safety:** Canopy design will capture snow therefore avoiding the dangers of sliding snow into driving aisles or pedestrian areas
- **Canopy clearance:** 13'6" minimum at the High School and Middle School and 14'6" at the Town Offices to allow for passage of snow removal equipment, school buses and fire trucks

> DPW Roof Mounted System

- **Inside equipment/ conduit installation:** All equipment and conduit at the new DPW will be installed inside, to maintain the new structures aesthetics to the extent permitted by the Town's electrical inspector
- **No roof penetrations:** Panels will be attached to metal seam roof with non-penetrating and non-corrosive aluminum clamps
 - Only required penetrations will be to run conduit internally, as required by the DPW and Buildings Department
- **No leak issues:** In the event a roof leak occurs, Ameresco will be responsible to immediately fix the leak
- **Maintain existing warranty:** The installation of the solar PV system will not void any existing roof warranty
- **System interconnection to maximize savings:** System will be interconnected in front of the meter in between the existing utility meter and on site transformer to provide maximum net metering credit value to the town

> Wayland High School Elevated Carport



Next Steps:

- Ameresco and the Town of Wayland will extend existing LOI through June 1, 2015 (through Town Meeting approval and PPA execution)
- Ameresco will submit interconnection applications
- Hold Public Forum on March 18, 2015 on the solar PV projects
- Continue contract negotiation to achieve an executable contract by Town Meeting
- Present project at Town Meeting
- Execute PPA contract as soon as reasonably possible following Town Meeting Approval on April 6, 2015
- Finalize permitting process
- Begin construction in early summer 2015

Pricing notes and assumptions:

- **Property Taxes:**
Ameresco assumes a structure tax agreement with the Town of Wayland equal to an annual tax payment of \$30,000.
- **License/ Lease Payment:**
The PPA price assumes no license or lease payment.
- **Permits:**
The design and PPA price assumes that we will receive all necessary approvals for interconnection from Eversource, and all other permits and approvals from Authorities having jurisdiction.
- **Environmental Review:**
Assumes suggested carport and ground mount areas for solar PV will not be excluded from solar PV installations due to existing environmental conditions. Our design is subject to change following an environmental review by an independent environmental engineer. Pricing assumes Best Management Practices to be finalized for the High School parking lot will not require any water management solutions at the proposed High School parking lot system.
- **End of Term Purchase Price:**
In accordance with Internal Revenue Service (IRS) regulations, the Town may, but is not required to, purchase the PV systems at its fair market value price.
- **Decommissioning Costs:** Ameresco includes the cost of a decommission bond as an adder to the power purchase price. Our system removal cost is net of anticipated salvage value.
- **Regulatory Incentives (SRECS and Net Metering):** We have fully incorporated all financial benefits into our price proposals. These include: Massachusetts' SREC II Incentives, Investment Tax Credit, and RPS Class I Renewable Energy Credits, NStar net metering credits, and accelerated depreciation. The following list shows our assumptions that affect our PPA price Proposal and cost savings:
 - The PV System will be interconnected directly to the local utility, Eversource, and qualify as a public net metering facility with the Town of Wayland as the Host Customer. The projected savings assumes that the Town of Wayland awards the project on a timely basis so that Ameresco can quickly file for an interconnection application to start the interconnection approval process, which can take months at Eversource. Ameresco will file and pay for the interconnection application soon after award.
 - The SREC prices are assumed to be the SREC Clearing house Auction prices (floor price) outlined in the DOER's draft SREC II regulations released on February 12, 2014 for contract years 1-10. We assume that the DOER will change the incentive design to better support the SREC II floor price or auction price.
 - The SREC incentives are adjusted for a Commercial Operation one year after the beginning of SREC-II. For example, in the first year of operation (October 2015 through September 2016) the project will receive one quarter of SRECs at the 2015 Auction Floor Price and three (3) quarters of SRECs at the 2016 Auction Floor Price.
 - The REC eligible generation calculated using 1.0 SREC factor as outlined for parking canopy structures installed for solar PV units in the DOER's presentation from December 13, 2013.

- The REC eligible generation calculated using 0.9 SREC factor as outlined for roof top and ground mounted unit with a capacity >25kW with 67% or more of electrical output on an annual basis used by an on-site load as proposed in DOER's presentation from December 13, 2013.
- In Contract Year 11, the generation will become 100% eligible for Class I RECs.

Why Ameresco: Size, Reputation, and Strength

Ameresco (NYSE: AMRC) is a leading publicly-traded energy services company headquartered in North America specializing in the development and implementation of energy services including energy generation, energy efficiency solutions and renewable energy systems. Ameresco has the skill, integrity, and financial strength to faithfully perform and complete the proposed work, as is shown by:

- **5 billion dollars of construction projects:** Ameresco has built three billion dollars of energy projects including solar PV, energy efficiency infrastructure improvements, landfill gas generation projects, biogas generation projects, bio-mass generation projects, and geothermal projects.
- **60+ MW of solar PV projects:** Our engineers and construction teams have designed and/or built forty-three megawatts of solar PV projects. Ameresco has financed and provided EPC services for projects in Massachusetts, Ontario, Arizona, Utah, Washington, DC, and other states that support solar PV.
- **62 offices in North America:** We have the depth and breadth of more than 900 employees, comprised of professional engineers, construction managers, finance and capital markets professionals, legal and regulatory professionals, and operation and maintenance staff.
- **Profitable, financially strong public company:** Ameresco (NYSE: AMRC) had a construction backlog as of the end of 2012 of \$1.5 billion. Our 2013 revenues were \$631.2 million and our net income for the year was \$18.4 million.
- **Operate and maintain our solar PV installations:** Ameresco has the in-house technology, staff, and systems to a) continuously monitor solar PV operations, b) report alarms and problems, and c) dispatch maintenance staff using our work order management system. We also test and re-commission each site once a year. This O&M experience provides feedback to our design engineers, creating a virtuous cycle for continuous design improvements.
- **International solar PV equipment distribution business.** Ameresco Southwest, a wholly-owned subsidiary of Ameresco, Inc. is a large, international distributor of solar PV equipment -- enabling us to procure PV panels, inverters, mounting racks, and other system components under high volume, low cost contracts.

Ameresco provides technical, legal, regulatory, and financial expertise to complete projects and realize significant economic and environmental benefits for our customers.

Appendix A: Ameresco's Experience in Solar PV

Ameresco is dedicated to bringing green, renewable, solar energy installations to our customers. Ameresco has installed **60+ MWs of solar PV**. In North America, Ameresco has installed a total of 200 MW of renewable energy generating assets. The following tables summarize Ameresco's solar PV projects in Massachusetts:

Project	Number of Sites	Size kW DC	Location	Financing	Client
Completed Projects					
Fisher Road Solar I	1	6,000	Dartmouth, MA	PPA	Municipality
City of Waltham, Phase II	6	1,738	Waltham, MA	PPA, Grant	Municipality
City of Fall River	4	576	Fall River, MA	PPA	K-12, Municipality
Town of Natick, Phase II	3	522	Natick, MA	PPA	K-12
City of Newburyport	2	502	Newburyport, MA	PPA	K-12, Municipality
Massport - Logan International Airport	2	370	Boston, MA	PPA, Grant	State
City of Lowell, Phase I	5	348	Lowell, MA	PPA	K-12, Municipality
Town of Natick, Phase III	2	311	Natick, MA	PPA	K-12, Municipality
City of Englewood, CO	4	219	Englewood, CO	PPA	Municipality
Town of Natick, Phase I	1	213	Natick, MA	PPA, Grant	K-12
City of Waltham, Phase I	1	193	Waltham, MA	PPA	K-12
Milton Academy	1	192	Milton, MA	PPA	K-12
Bridgewater State University	1	103	Bridgewater, MA	PPA, Grant	Higher Education
Mt. Wachusett Community College	1	97	Gardner, MA	Turnkey	Higher Education
City of Revere	1	47	Revere, MA	ESPC	K-12
Canton Housing Authority	1	46	Canton, MA	PPA, Grant	Housing Authority
Cambridge Housing Authority	1	46	Cambridge, MA	ESPC	Housing Authority
Worcester State University	1	41	Worcester, MA	PPA, Grant	Higher Education
Brockton Transit Authority	1	20	Brockton, MA	Turnkey	Transit Authority
Town of Acton	1	1,592	Acton, MA	PPA	Municipality
City of Lowell, Phase II	1	1,502	Lowell, MA	PPA	Municipality
Town of Sudbury	1	1,502	Sudbury, MA	PPA	Municipality
City of Newton	4	686	Newton, MA	PPA	K-12
City of Melrose	1	301	Melrose, MA	PPA	K-12
Town of Lexington, MA	6	1,110	Lexington, MA	PPA	K-12
Total	53	18,276	kW-DC		
In Construction					
Braintree Electric Light Department	1	1,300	Braintree, MA	PPA	Utility
MassDOT	10	5,464	Various in MA	PPA	State
West Newbury, MA	1	440	West Newbury, MA	PPA	Municipality
Total	12	7,204	kW-DC		

References available upon request.

Appendix B: Accolades

Ameresco's commitment to being green, clean, and sustainable has been recognized in numerous awards and accommodations, including:

- 2012 **Renewable Energy World Excellence in Renewable Energy Award**, Biogas Project of the Year: DOE Savannah River Site
- In 2003, 2004, 2007, and 2009 Ameresco and its projects were honored with **awards from the U.S. Environmental Protection Agency** for power generation projects that uniquely promoted and enhanced environmental protections and emissions reductions while delivering reliable base load generation to its municipal clients.
- The Commonwealth of Massachusetts, Executive Office of Energy and Environmental Affairs awarded to the City of Lowell and Ameresco the **Leading by Example Award** for its energy efficiency performance project and solar PV projects at municipal and school buildings from.
- Ranked 7th in **TheGreenJobBank's list of Top 10 Green Employers** of 2012. Ranking was based on number of green jobs posted online in 2012.
- Ranked 29th as part of **The Boston Globe's 24th annual Globe 100 list** of top-performing public companies in Massachusetts.
- Renewable Energy World, 2012 Excellence in Renewable Energy Award Program, **Bioenergy Project of the Year Award**
- Climate Change Business Journal's **2010 Business Achievement Award for Growth in 2011**.
- Listed in **Forbes 100 List of America's Best Small Companies** of 2011.
- 2010 New England Energy Council **Employer of the Year**.
- **Association of Energy Engineers Project Awards** for Ameresco projects in Lowell, MA and Revere, MA

"I applaud Ameresco, one of the nation's **leading energy service companies**, for its role in bring clean, **renewable solar power** to state agencies."

Ian Bowles
Former Massachusetts Energy and Environmental Affairs Secretary

"We are **pleased to continue and expand our partnership with Ameresco**, which has already had a **positive impact on our environment and our local economy**. These new solar installations will allow for significant energy cost **savings that can be redirected into the reinvestment and rebuilding** of our community for all residents."

—Bernie Lynch, Former City Manager, City of Lowell