Town of Frisco Investment Grade Audit

Energy Performance Contract Preliminary Cash Flow

General Inputs	
EPC Program Total (Includes $25k bond issuance fee placeholder)	$ 2,431,000
Customer Buy Down (Earmarked in Town Budget)	$ 250,000
Initial Funding Commitment	$ 669,000
Inflation Reduction Act (IRA) Benefit **	$ 208,369
Grants (DOLA, PBEG, Fleet EV) ***	$ 1,512,000
Equipment Rebates	$ 31,100
Net Project Cost (after incentives & buydowns)	$ 710,631
Tubing Hill Lighting Planned Contributions in 2026	$ 45,000
Other Annual Capital Funding (full term)	$ -
Social Cost of Carbon ($/metric ton/yr)	$ -
Years of Analysis	20
Finance Term (Yrs)	19
Payment Type	Stepped
Interest Rate (Indicative)	4.90%

Annual Savings (2026 basis)	
Baseline Utility Spend	$ -
Non-PV & Non-EV Elec Savings	$ 4,238
Natural Gas/Propane Savings	$ 5,398
Gasoline Savings	$ 5,398
EV Charger Year 1 Electrical Savings	$ (1,520)
Years of non-PV Energy Savings	20
PV Savings	$ 11,934
Years of PV + BESS Energy Savings	20
Tons of Carbon Saved	173
O&M (Avoided material replacement costs etc.)	$ 863
EV Charger Electric Service Cost	$ 1,062
Yrs of Annual Capital Cont./Capital Cost Avoidance	20
Day Lodge Avoided Roof Replacement Cost (2025 basis)	$ -

Service Costs	
PV & BESS O&M Cost (Annual Allowance)	$ -
PV Data Acquisition System ($/term)	$ -
PV Data Acquisition System Term (years)	5
Misc. Service Costs (non-PV)	$0
Misc. Service Costs Term (yrs)	10

Measurement & Verification	
Year 1 M&V Cost	$ 7,915
Year 2 M&V Cost	$ 2,539
Year 3 M&V Cost	$ 2,630
M&V Escalation Rate	3.5%
M&V End Year	3

PV Specific	
Energy & Incentive Value	$ 4,337
Yrs of Incentives	20
DC kW Installed Total	0
Inverter Material Replacement Cost (2025)	$ (5,000)
Estimated Inverter Replacement Interval	15
Yrs of 3rd Party PV O&M *	20

powerED savings (INCLUDED ABOVE)	
powerED measure name	RCx + AEM
First Year powerED savings %	0%
Electric	$0
Natural Gas	$0

Year (yr 1 = 2026)	Annual Savings: Non-PV & Non-EV Elec Savings	PV Energy Savings	PV RECs ($0.04/kW)	Utilities Natural Gas	Gasoline Savings	EV Charger Electric Cost	EV Charger Electric Service Cost	O&M Savings	Total Savings	Annual Costs: M&V Costs	Net Total Savings
0	$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -
1	$ 4,238	$ 11,934	$ 4,337	$ 5,398	$ 1,220	$ (1,520)	$ (1,062)	$ 863	$ 25,408	$ (7,915)	**$ 17,493**
2	$ 4,408	$ 12,352	$ 4,337	$ 5,560	$ 2,513	$ (1,727)	$ (1,094)	$ 1,007	$ 27,355	$ (2,539)	**$ 24,816**
3	$ 4,584	$ 12,784	$ 4,337	$ 5,727	$ 3,882	$ (3,437)	$ (1,099)	$ 1,156	$ 27,933	$ (2,630)	**$ 25,303**
4	$ 4,767	$ 13,231	$ 4,337	$ 5,899	$ 5,331	$ (3,730)	$ (1,105)	$ 1,309	$ 30,040	$ -	**$ 30,040**
5	$ 4,958	$ 13,695	$ 4,337	$ 6,076	$ 5,491	$ (3,880)	$ (1,110)	$ 1,348	$ 30,915	$ -	**$ 30,915**
6	$ 5,156	$ 14,174	$ 4,337	$ 6,258	$ 5,656	$ (4,035)	$ (1,116)	$ 1,389	$ 31,819	$ -	**$ 31,819**
7	$ 5,362	$ 14,670	$ 4,337	$ 6,446	$ 5,826	$ (4,196)	$ (1,122)	$ 1,431	$ 32,754	$ -	**$ 32,754**
8	$ 5,577	$ 15,183	$ 4,337	$ 6,639	$ 6,000	$ (4,364)	$ (1,127)	$ 1,473	$ 33,719	$ -	**$ 33,719**
9	$ 5,800	$ 15,715	$ 4,337	$ 6,838	$ 6,181	$ (4,539)	$ (1,133)	$ 1,518	$ 34,717	$ -	**$ 34,717**
10	$ 6,032	$ 16,265	$ 4,337	$ 7,043	$ 6,366	$ (4,720)	$ (1,139)	$ 1,563	$ 35,748	$ -	**$ 35,748**
11	$ 6,273	$ 16,834	$ 4,337	$ 7,255	$ 6,557	$ (4,909)	$ (1,144)	$ 1,610	$ 36,813	$ -	**$ 36,813**
12	$ 6,524	$ 17,423	$ 4,337	$ 7,472	$ 6,754	$ (5,105)	$ (1,150)	$ 1,658	$ 37,914	$ -	**$ 37,914**
13	$ 6,785	$ 18,033	$ 4,337	$ 7,697	$ 6,956	$ (5,310)	$ (1,156)	$ 1,708	$ 39,051	$ -	**$ 39,051**
14	$ 7,057	$ 18,664	$ 4,337	$ 7,927	$ 7,165	$ (5,522)	$ (1,161)	$ 1,759	$ 40,226	$ -	**$ 40,226**
15	$ 7,339	$ 19,318	$ 4,337	$ 8,165	$ 7,380	$ (5,743)	$ (1,167)	$ 1,812	$ 41,441	$ -	**$ 33,651**
16	$ 7,632	$ 19,994	$ 4,337	$ 8,410	$ 7,601	$ (5,972)	$ (1,173)	$ 1,867	$ 42,695	$ -	**$ 42,695**
17	$ 7,938	$ 20,693	$ 4,337	$ 8,663	$ 7,829	$ (6,211)	$ (1,179)	$ 1,923	$ 43,992	$ -	**$ 43,992**
18	$ 8,255	$ 21,418	$ 4,337	$ 8,922	$ 8,064	$ (6,460)	$ (1,185)	$ 1,980	$ 45,332	$ -	**$ 45,332**
19	$ 8,585	$ 22,167	$ 4,337	$ 9,190	$ 8,306	$ (6,718)	$ (1,191)	$ 2,040	$ 46,716	$ -	**$ 46,716**
20	$ 8,929	$ 22,943	$ 4,337	$ 9,466	$ 8,555	$ (6,987)	$ (1,197)	$ 2,101	$ 48,147	$ -	**$ 48,147**
21										$ -	
22										$ -	
23										$ -	
24										$ -	
25										$ -	
26										$ -	
27										$ -	
28										$ -	
29										$ -	
30										$ -	
Totals	**$126,199**		**$86,740**	**$145,052**	**$145,052**	**($95,086)**		**$31,515**	**$732,734**	**$ (13,084)**	**$711,860**

Year (yr 1 = 2026)	Financed Project Cash Flow Analysis: Principal & Interest Payment	Grants & Tax Credits	Capital Cost Avoidance	Other Town Funding	Loan Balance	Annual ToF Cash Flow	Cash Deal Analysis: Annual Cash Flow	Cumulative Cash Flow	Present Values
0	$0	$ 1,512,000	$ -	$ 250,000	$ 669,000	$ (250,000)	$ (919,000)	$ (919,000)	$ (919,000)
1	($17,492)	$ 239,469	$ 45,000	$ -	$ 399,820	$ 1	$ 256,962	$ (662,038)	$ 249,477
2	($24,815)		$ -	$ -	$ 394,596	$ 1	$ 24,816	$ (637,222)	$ 23,392
3	($25,302)		$ -	$ -	$ 388,630	$ 1	$ 25,303	$ (611,919)	$ 23,156
4	($30,039)		$ -	$ -	$ 377,634	$ 1	$ 30,040	$ (581,880)	$ 26,690
5	($30,914)		$ -	$ -	$ 365,224	$ 1	$ 30,915	$ (550,965)	$ 26,667
6	($31,818)		$ -	$ -	$ 351,302	$ 1	$ 31,819	$ (519,146)	$ 26,648
7	($32,753)		$ -	$ -	$ 335,763	$ 1	$ 32,754	$ (486,392)	$ 26,632
8	($33,718)		$ -	$ -	$ 318,498	$ 1	$ 33,719	$ (452,673)	$ 26,618
9	($34,716)		$ -	$ -	$ 299,388	$ 1	$ 34,717	$ (417,956)	$ 26,608
10	($35,747)		$ -	$ -	$ 278,312	$ 1	$ 35,748	$ (382,209)	$ 26,600
11	($36,812)		$ -	$ -	$ 255,137	$ 1	$ 36,813	$ (345,396)	$ 26,594
12	($37,913)		$ -	$ -	$ 229,726	$ 1	$ 37,914	$ (307,482)	$ 26,592
13	($39,050)		$ -	$ -	$ 201,932	$ 1	$ 39,051	$ (268,431)	$ 26,592
14	($40,225)		$ -	$ -	$ 171,602	$ 1	$ 40,226	$ (228,205)	$ 26,594
15	($33,650)		$ -	$ -	$ 146,361	$ 1	$ 33,651	$ (194,554)	$ 21,599
16	($42,694)		$ -	$ -	$ 110,838	$ 1	$ 42,695	$ (151,859)	$ 26,606
17	($43,991)		$ -	$ -	$ 72,278	$ 1	$ 43,992	$ (107,866)	$ 26,616
18	($45,331)		$ -	$ -	$ 30,488	$ 1	$ 45,332	$ (62,534)	$ 26,628
19	($31,982)	$ -	$ -	$ -	$ -	$ 14,734	$ 46,716	$ (15,818)	$ 26,642
20	$0	$ -	$ -	$ -		$ 48,147	$ 48,147	$ 32,329	$ 26,658
21									
22									
23									
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26									
27									
28									
29									
30									
Totals	**($648,961)**					**$ (187,101)**	**$ 32,329**	**$ 32,329**	**$ (175,392)**

Notes:

* Estimated

** EV Charging , PV Scope @ 25.5% Federal tax credit (est.)

*** Target DOLA grant @ $1M (est.)

$ 669,000

Cash Deal Analysis		
Net Cash Flow		**$ 32,329**
Discount Rate		3.00%
NPV		**$ (175,392)**
IRR		**0.39%**
Total ROI	**yrs 1-20 inflows / initial investment**	**104%**

Escalation Rates		
Year Switch	-	5
Years	0-5	>5
Electric Utility Cost	4.00%	4.00%
Natural Gas	3.00%	3.00%
Gasoline Savings	3.00%	3.00%
Avoided Capital	3.0%	3.0%
Annual PV Degradation	-0.5%	N/A
O&M Costs/Savings	3.0%	3.0%
ELectric Service Fee	0.5%	0.5%
PV Inverter Replacement (	3.0%	N/A
PV Data Acquisition Syste	0.0%	N/A
O&M Savings Last Year	20	N/A