

Alternative Financing and Energy Security

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Presentation Content

- Discussion of Energy Security
- Self-Generation
- Alternative Financing Solution
- Case Studies

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Energy Security

- National
- Regional
- Local
- Site Specific



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National

- Fuel Source
- Fuel Supply
- Shipment
- Processing
- Storage



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Regional

- Tie Points
- Production
- Critical Paths



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Local

- Utility system Integrity



- High Voltage Backbone
- Transmission Load Service Loops

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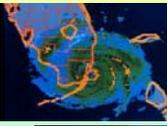
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2003 Energy

Site Specific

National
↓
Regional
↓
Local
↓
Site Specific




- Fuel Supply
- Delivery Disruptions
- Processing Disruptions
- Distribution Disruptions
- -----
- Terrorist Activities
- Poor Planning
- Acts of God

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2003 Energy

Site Specific





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2003 Energy

Solution






- Self Generation
 - Separation from Utility Service
 - Parallel Operation (full or partial)
- Stand-by Generation

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2003 Energy

Solution

Benefits

- Self Reliance - power production capabilities “Inside the Fence”
- Increased Flexibility for Substation Maintenance
- Meets Presidential Directive
- Future Buying Options
- BRAC Protection

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2003 Energy

Solution

Alternative Financing:

Third Party Financed Performance Contracts can be used to provide for the addition of back-up generation systems protecting the federal installation from unexpected outages.

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2003 Energy

Solution

EPAct of 1992
Subtitle F- Section 546

(c) Utility Incentive Programs-

(1) Agencies are authorized and encouraged to participate in programs to increase energy efficiency and for water conservation or the **management of electricity demand** conducted by gas, water, or electric utilities and generally available to customers of such utilities.

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Solution

42 USC § 8287

Sec. 801. Authority to Enter into Contracts.

(a) In General. (1) The head of a Federal agency may enter into contracts under this title solely for the purpose of achieving energy savings and benefits ancillary to that purpose. . .

Sec. 804. Definitions.

(2) The term "energy savings" means a reduction in the cost of energy, . .

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Stand-by Generation

$$(\$ \text{ Non-Firm Rate Savings }) = (\$ \text{ Debt Payment })$$

Budget Neutral !!!

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Stand-By Generation

Considerations

- Utility Non-Firm Rate Offerings
- Utility Interconnection Requirements
- State Regulatory Situation
- Mission longevity

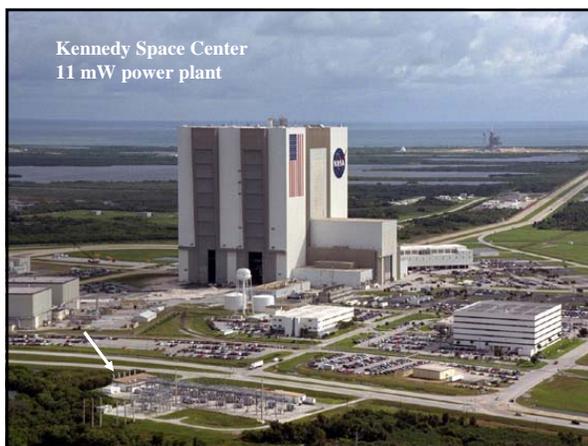
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Patrick Air Force Base, FL
6.6 mW power plant



Kennedy Space Center
11 mW power plant



Cape Canaveral Air Force Station
7.5 mW power plant