



DELTA DIVERSIFIED ENTERPRISES, INC.
ELECTRICAL CONTRACTORS

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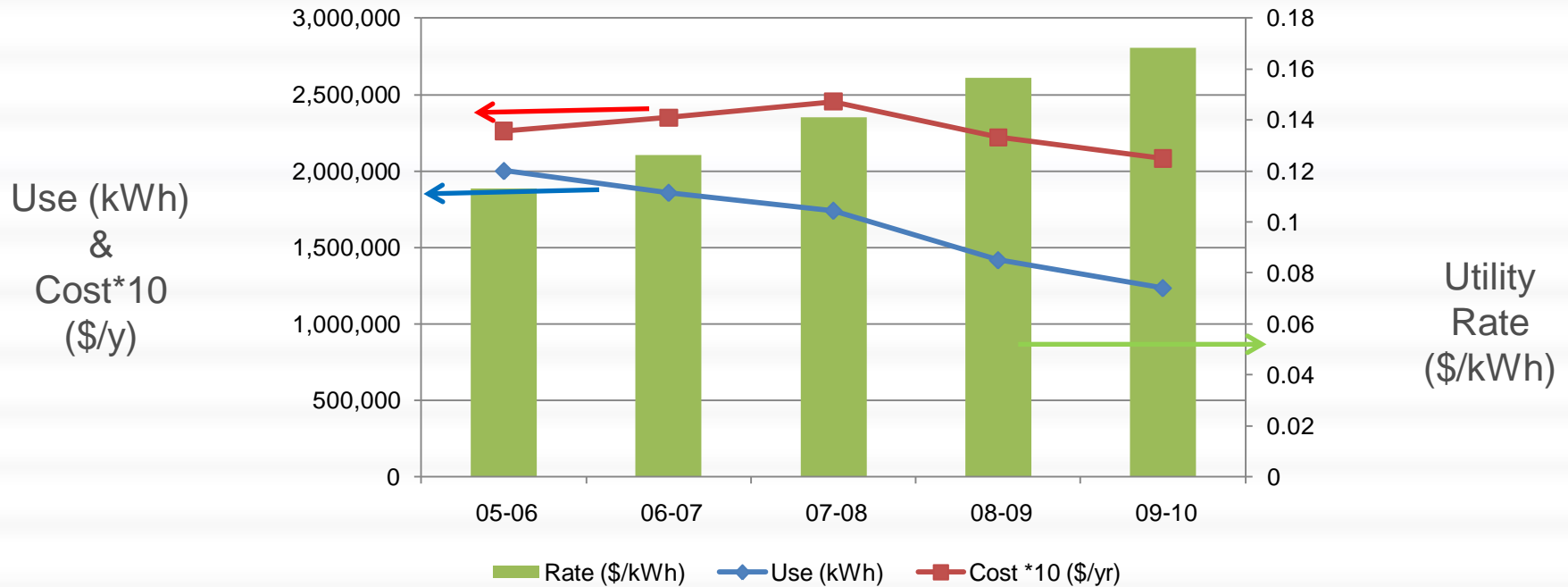
**SurePathsm PPA for
Mammoth-San Manuel USD No.8**

March 8, 2011

History of Project

- Early investigation
 - A few years ago investigated but not completed
- Dr. Rickel attends solar presentation => project rekindled
- Team formed: Ron, Mary, David, 1st Ave principal, STEM teacher, STEM student and Tom H. consultant.
- Initial feasibility analysis plus APS program shows promise
- RFP written, issued and responses reviewed
- Best and final meetings held Feb. 11
 - Attended: John, Ron, Mary, David, 3 members S. AZ facilities mgrs
 - Final selection made in favor of Tioga Energy
- Final Project review Feb. 23

Annual Usage, Cost* and Rate by Year



- Electricity **use drops 38.3%** while utility **rate increases 49.1%** over 4 years
- 10.5% Compound Annual increase in cost of electricity
- Net effect on costs: an 8% reduction over 4 years

* Costs are multiplied by 10 to fit on graph

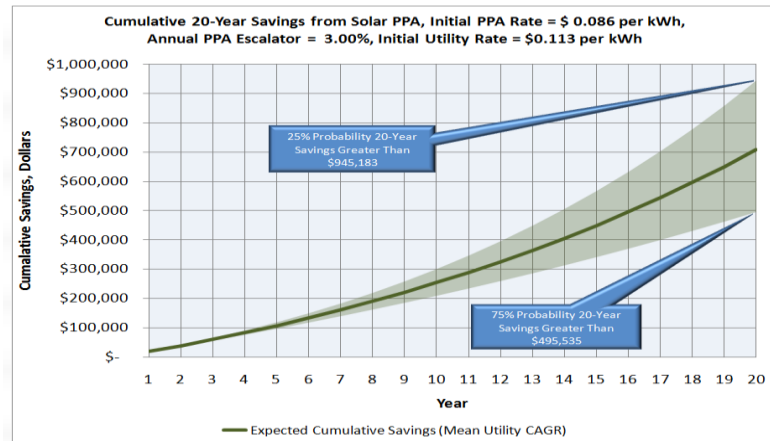
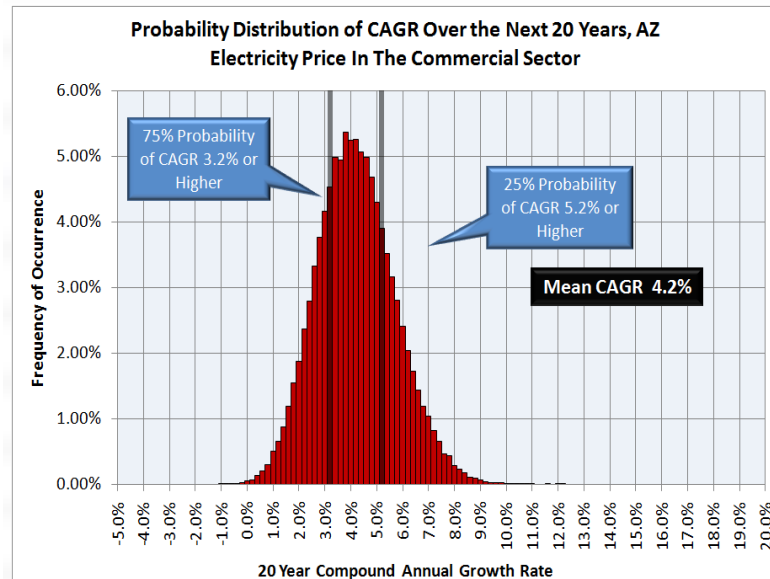
Tioga Energy Power Purchase Agreement

- Power Purchase Agreement (PPA)
 - Delivers advantages
 - Price stability, affordability
 - Environmental benefits
 - Tioga owns, operates and insures the PV System
 - No need to become a “solar project expert”
 - No hassles trying to collect incentives
 - **No distractions from customer’s core business**
- No upfront capital required
- 20-year term
- Early purchase options at years 7, 10 and 15
- Fixed annual escalator
- End-of-term options
 - Renew the agreement for a second term
 - Purchase the system outright from Tioga at the Fair Market Value price
 - Have the system removed at Tioga’s expense

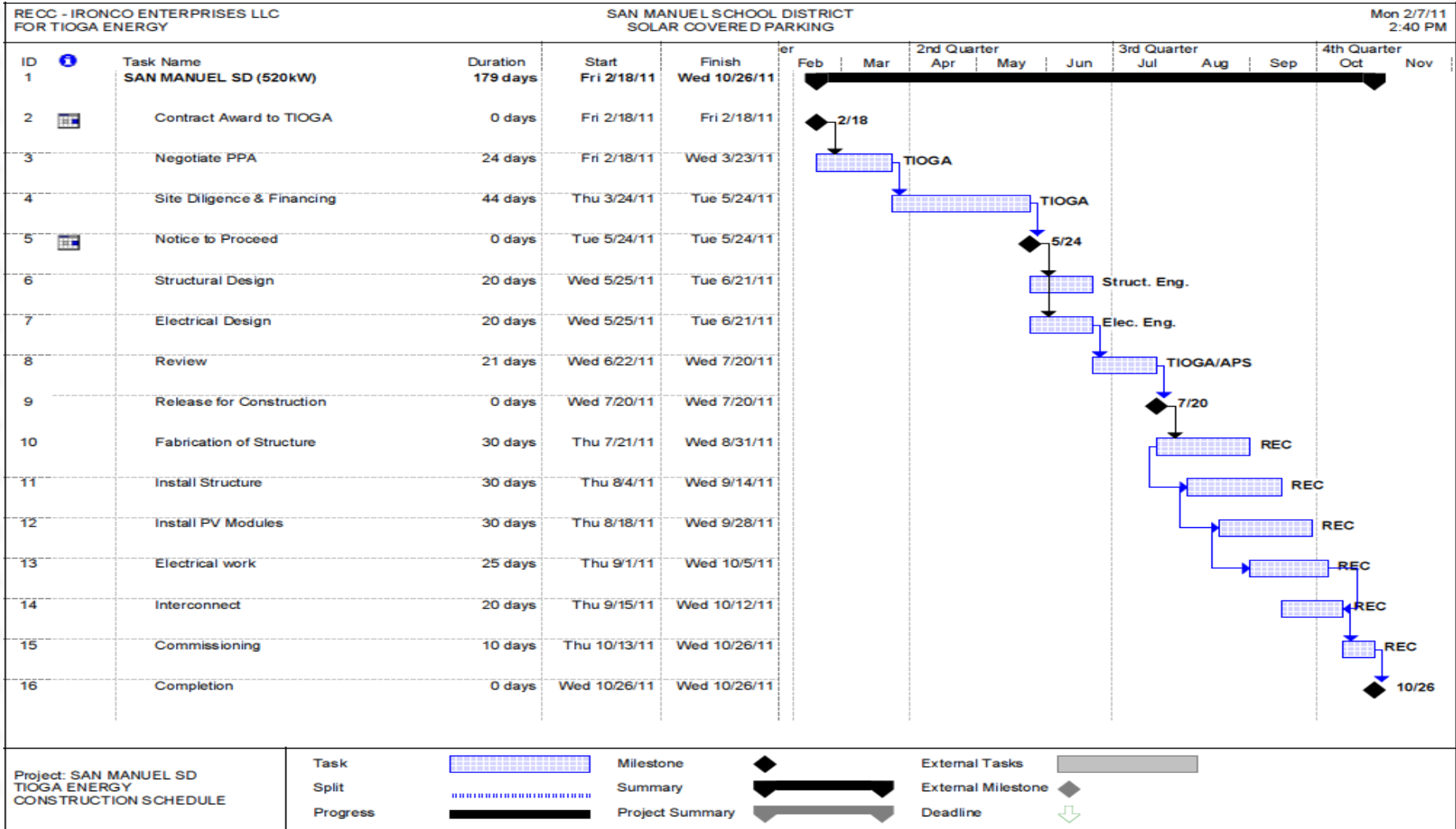


Tioga PPA Savings Analysis

EIA Electricity Price Data Set	AZ, Electricity price in the commercial sector
Average Historical Utility CAGR	4.05%
Most Probable Future Utility CAGR	4.21%
Annual Electricity Consumption, kWh	752,258
Utility Rate Offset by Solar, \$/kWh	\$ 0.113
Solar Power System Size, kW	378.35 kW
PPA Initial Rate, \$/kWh	\$ 0.086
PPA Escalator, %	3.00%
Estimated 1st Year Production, kWh	589,090
Annual Production Degradation, %	0.50%
Estimated Percentage of Energy Requirement Provided by Solar:	78.3%
Host Discount Rate, %	8.00%
Financial Results	
Most probable first-year savings	\$ 18,706
Most probable cumulative 20-year savings	\$ 708,000
Most probable Net Present Value (NPV) of savings	\$ 300,000



Project Schedule Aaron/Robert Update



Proposed system layout



Background

ASU West Campus



ASU West Campus



ASU West Campus



ASU West Campus



ASU West Campus

