DIXON PUBLIC SCHOOLS #170

"A Place to Grow"

www.dps170.org

1335 Franklin Grove Road Dixon, Illinois 61021

> Margo Empen, Superintendent Doug Stansford, Asst. Superintendent Marc Campbell, Business Manager

Phone: (815) 373-4966

Fax: (815) 284-8576

Date: April 11, 2025

To: Board of Education Members

From: Margo Empen, Superintendent & Marc Campbell, CSBO

RE: Board Action – Termination of Solar Agreements with Econergy

As presented at the March 2025 Board meeting, the process of implementing solar with Econergy has not progressed forward as expected.

Timeline:

December 2022: Board approved Option to Lease Agreement with Econergy.

May 2023: Board approved Solar Project PPA and Lease Agreements with Econergy.

July 2023: Initial planning for Micro-Grid Project began.

November 2023: Initial timeline indicated all Micro-Grids being live by December 2025.

September 2024: Onsite construction projects to begin June 2025.

March 2025: Onsite construction projects pushed to June 2026 and Micro-Grids live by

December 2026.

July 2025: Potential Bid Package #2 approval. (Note: At the start of April, President Trump

announced the pullback of unspent ESSER funding)

Implications of Current Solar Project

- 1. District cannot move forward with other solar options.
- 2. District is at risk of rising delivery costs (significant increases are expected in June 2025).
- 3. Lose the \$1.3 million dollar grant for an electric bus, charging station, micro-grid and various other components. (Note: The Micro-Grid project which is a grant through the Dept. of Energy continues to be delayed. Last month the timeline of completion was pushed out one additional year to December 2026. Bid Package #2 for this grant has not been approved and that portion of the grant includes the component equipment and buses.)

Legally, the Power Purchase Agreements (PPA)

1.c. Purchaser's Conditions Precedent. In the event that Seller has not initiated Development
Activities by the date that is twelve (12) months after the Effective Date for reasons other than a
breach by Purchaser of its obligations hereunder, Purchaser may terminate this Agreement
without liability.

Based on the lack of evidentiary work in solar projects, the PPA agreements dating back to May 2023 have long since expired, and the Option Agreements have also not been fully exercised and have expired. It is the recommendation of District Administration to formally terminate all PPA's and Option Agreements between Econergy and the District.

Dixon Public Schools, in cooperation with the community, will provide students with a comprehensive educational program that produces well-educated, self-sufficient, and involved citizens.