

THULE ENERGY STORAGE TO PROVIDE COOLDATA PLATFORM, PREVENTATIVE MAINTENANCE AND BREAK-FIX SERVICES

Resources Operation and Strategic Analytics

Board of Public Utilities
December 13, 2021

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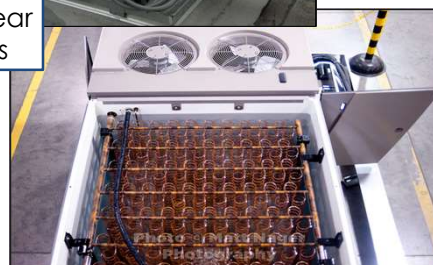
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BACKGROUND

1. Goods and Services Contract with Ice Energy approved by:
 - a) Board on January 23, 2015
 - b) Council on March 3, 2015
2. Contract Structure
 - a) Establish Peak-Load Reduction Pilot Program using Ice Bear technology
 - b) 5-Year Term
 - c) 5 MW capacity by end of Term
 - d) Remote monitoring and maintenance



Ice Bear Units

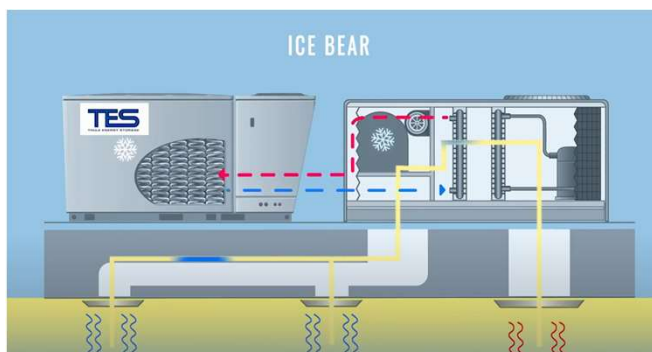


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ICE BEAR FUNCTIONALITY



During off-peak hours (night), Ice Bear makes ice in an insulated tank and stores it until dispatched

During peak hours, when dispatched, Ice Bear turns off the HVAC compressor and provides ice cold refrigerant to the AC unit

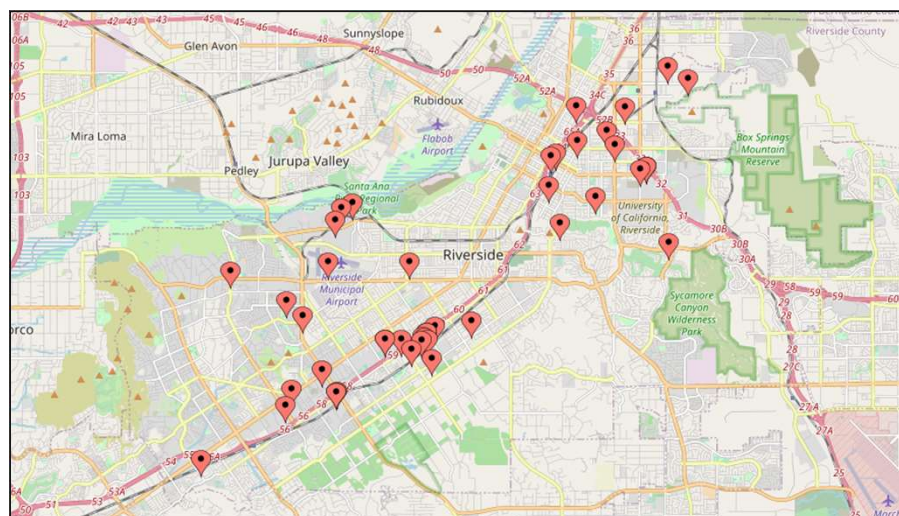
Once all the ice is melted, Ice charge mode activates during off-peak hours to restart the cycle

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ICE BEARS COMMISSIONED



Under Ice Energy Contract:

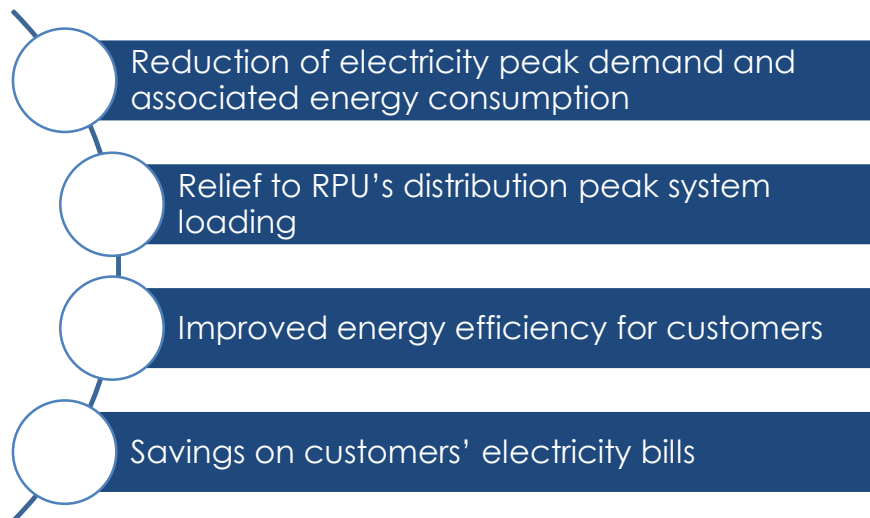
1. Ice Bear units installed: 111
2. # of locations: 46
3. Installed capacity: 3.12 MW
4. City owns all Ice Bear units

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BENEFITS OF ICE BEAR PROGRAM



Regular maintenance on Ice Bears will extend their operating lives

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THULE ENERGY STORAGE

1. Ice Energy filed bankruptcy in December 2019
 - a) Ended the contract with the City to complete and perform services
2. Thule Energy Storage acquired all of Ice Energy's assets and intellectual property
3. Thule offered to provide maintenance services for the Ice Bear units in the City
4. Staff and Thule engaged in negotiations to develop a Services Agreement



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SERVICES AGREEMENT – KEY TERMS

Scope of Services:	CoolData Platform, Preventative Maintenance Services, and Break-Fix Services <i>*Break-fix will be at City's discretion on only within approved budget</i>
Pricing:	<p>1. CoolData Platform & Preventative Maintenance: \$49,950 per year* <i>*Proof of completion of work before any invoice is paid.</i></p> <p>2. Break-Fix Services (Authorized by the City):</p> <ul style="list-style-type: none"> a. Charged at \$270 per site visit for up to first two hours of labor, plus any material costs for Standard Part replacements b. Any additional Break-Fix services charged at \$180 per hour per technician, plus any material costs for Standard Part replacements c. Any Non-Standard Part replacements, including labor, will be charged as detailed in Exhibit "B" of the Agreement
Term:	5-year Term and the City has the right to terminate at any time upon 30-days notice to Contractor

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FISCAL COST BREAKDOWN

Services	First Year Cost	Total Cost: 5 Year Term
CoolData and Preventative Maintenance Expense	\$49,950	\$249,750
Break-Fix Services Budget*	\$87,000	\$455,853
Total	\$136,950	\$705,603

*Note: The amounts shown are available budget for Break-Fix Services, not actual expenditures. Authorization of any Break-Fix Services will be at the sole discretion of the City.

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COOLDATA AND PREVENTATIVE MAINTENANCE

CoolData Platform

- Created specifically for the Ice Bears
- Remotely monitor and troubleshoot
- Provide detailed remote diagnostic services

Preventative Maintenance

- 14-step process designed for Ice Bears
- Performed by licensed and certified technicians
- Maximize operating life of Ice Bears

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SERVICES AGREEMENT BENEFITS

1. Negotiated 30% price discount compared to similar contracts by other Municipalities
2. Prevent Ice Bear equipment failure and costly repairs
3. Proactive remote monitoring to report and address equipment issues in a timely manner
4. Standby Break-Fix service allowing timely repairs on reported issues
5. Preserving the value of City's investments and continuing to provide benefits to participating customers

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STRATEGIC PLAN ALIGNMENT

Envision Riverside 2025 Strategic Plan Priorities



No. 2 Community Well-Being

Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation

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RECOMMENDATIONS

That the Board of Public Utilities recommend that the City Council:

1. Approve the Services Agreement between Thule Energy Storage and the City of Riverside to provide CoolData Platform and Preventative Maintenance Services and as-needed Break-fix repair services for a five-year term in the total amount of \$705,603; and
2. Authorize the City Manager, or designee, to execute the Agreement and any documents necessary to administer the Agreement, including making minor and non-substantive changes.

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