

Solar Investment Tax Credit Safe Harbor Plan Investment Grade Audit

Board of Education, May 27th, 2026

OUSD Facilities Planning & Management in partnership with Willdan



**OAKLAND UNIFIED
SCHOOL DISTRICT**

Community Schools, Thriving Students

Ask Of The Committee

Purpose: Present approach and plan to recommission and expand Solar in OUSD.

What we need: Adoption of the resolution and recommendation to the Board for approval.

Agenda

1. Overview of Solar Investment Tax Credit Opportunity
2. Rationale for considering this opportunity
3. Recommended Solutions - 2 Contracts
 - i. New Solar
 - ii. Retro-commissioning
4. Project and Financial Details
5. Next Steps

Solar Investment Tax Credit Direct Pay Recap

Incentive Summary

What Is ITC Direct Pay?

- Available under the Inflation Reduction Act, amended under recent tax law changes
- Federal incentive equal to 40% of eligible solar project costs
- Available to public agencies through Direct Pay (cash reimbursement from IRS)

Critical Deadline

- Material Safe Harbor Deadline: **July 5th, 2026**
- For projects under 1.5 MW, Public Agency must procure and pay for at least 5% of total project cost
- Purchase and take title of equipment prior to deadline
- Once safe harbored, the District has 4 years to complete construction



Why OUSD Should Do This – Cost Savings

Solution for Highest Priorities

Financial Savings

- Year-One reduction in PG&E costs and over \$22M in estimated life cycle savings
- Creates General Fund savings and more opportunities to increase the Green Revolving Fund
- Capitalize on expiring incentive, increases the financial ROI
- Hedge against rising PG&E costs
- Fix existing solar PV Systems increases total savings
- Percentage of savings will be measured and guaranteed

LOWER PG&E COSTS WITH SOLAR

Generating Clean Energy. Saving Money. Investing in Our Schools.



HOW SOLAR LOWERS YOUR BILL



ON-SITE SOLAR GENERATES POWER

Solar panels produce electricity at your school, reducing the amount of power you buy from PG&E.



LESS ENERGY PURCHASED

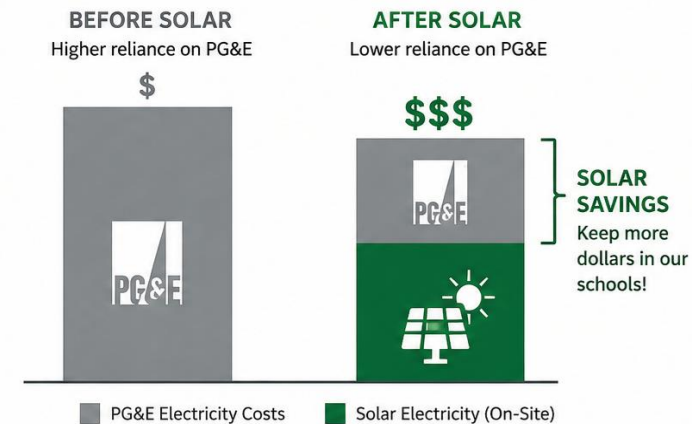
Using more of your own solar energy means less electricity purchased from PG&E.



LOWER PG&E COSTS

Lower energy use from the grid leads to lower monthly bills and long-term savings.

THE IMPACT: LOWER BILLS, MORE RES&S



MORE SAVINGS. MORE IMPACT.

Lower PG&E bills free up resources for what matters most—students, schools, and a sustainable future.



ACADEMICS



STUDENT
SUPPORT



SCHOOL
IMPROVEMENTS

Why OUSD Should Do This – Alignment with Sustainability Commitments

Solution for Highest Priorities

Commitment to Sustainability

- Expanding solar generation supports Oakland USD's **long-term sustainability and climate action goals** by reducing dependence on fossil fuel-based electricity.
- On-site renewable energy helps lower the District's carbon footprint and **demonstrates leadership in environmental stewardship**.
 - The proposed on-site solar generation is estimated to produce approximately 1.5 million kWh annually, avoiding roughly 12 tons of CO₂e per year from PG&E electricity purchases.
- Solar investments create opportunities for **integrating sustainability education and hands-on learning** into student programs and career pathways.
- **Reduced energy costs** can be reinvested into additional sustainability initiatives, like the Green Revolving Fund



Why OUSD Should Do This – Heat Mitigation

Solution for Highest Priorities

Funds Heat Mitigation

- Solar can help **reduce rooftop and surrounding surface temperatures**, supporting Oakland USD's broader heat mitigation and student wellness goals.
- Generating on-site renewable energy **lowers strain on aging electrical infrastructure** while **supporting future cooling and HVAC upgrades**.
- **Reduced utility costs** from solar can free up district resources for **additional heat mitigation investments** such as shade structures, cool roofs, and campus greening.
- Expanding clean energy infrastructure **aligns with Oakland USD's sustainability, climate resilience, and environmental equity commitments** for historically underserved communities.



Willdan's Recommended Solution – Contract 1 (New Solar)

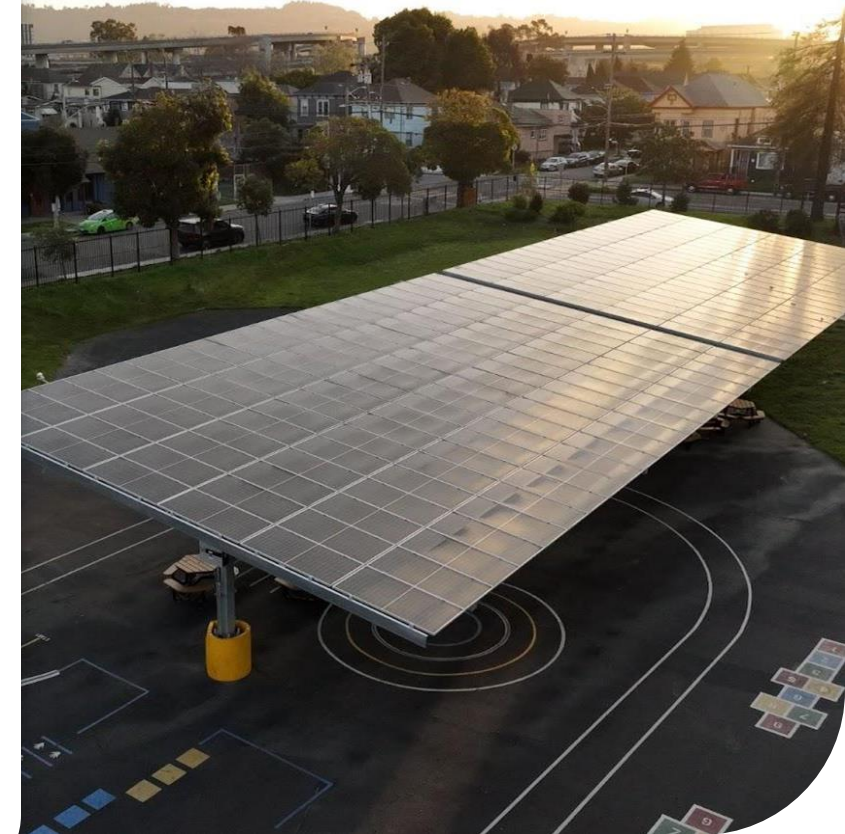
Strategy to Meet ITC Deadline

Material Procurement and Design-Build Contract

- Bring Solar Design/Build Contract to Board
- Phase 1 Material Only Procurement
- Contract approved under California Government Code Section 4217.10–18
- Target Board approval: **May 27th, 2026**

Solar Panel Procurement

- Panel procurement for targeted solar sites
- Panels will be stored at an insured warehouse until installation
- If project doesn't move forward, material can be returned with a minimal restocking/reselling fee.
- Material must be paid and titled over before **July 5th, 2026**



Willdan's Recommended Solution - Contract 2 (Solar Recommissioning)

Repairs to Existing Systems

Separate Contract to Address Problems with SunPower Systems

- Recommend a Solar Recommissioning effort to go with Safe Harbor Procurement

Existing Conditions Assessment

- In-field verifications of troubled existing systems by trained electricians
- Desktop assessment of current production levels vs. expected
- "Corrective Needs Report" in final IGA Report

In-Field Corrections

- Repair/replace not working solar PV systems in Construction Contract
- Document corrections and provide report

M&V and Savings

- Track production coming back online



Recommended New Solar PV Site Details

Site Name	System Type	Preliminary System Size (kWp)	Estimated First Year Savings	Estimated Total Cost	Estimated Panel Procurement Cost
MARCUS FOSTER LEADERSHIP	Carport Canopy and/or Rooftop	112	\$51,200	\$1,010,000	\$72,055
EAST OAKLAND PRIDE	Shade Structure	112	\$31,400	\$968,000	\$72,055
FREMONT HIGH SCHOOL	Carport Canopy	326	\$74,000	\$2,932,00	\$209,115
GLENVIEW	Shade Structure	102	\$31,000	\$884,000	\$65,789
PRESCOTT	Shade Structure	128	\$28,000	\$1,057,000	\$82,236
THINK COLLEGE NOW	Carport Canopy	144	\$39,000	\$1,188,000	\$92,418
CLAREMONT	Rooftop	118	\$35,000	\$927,000	\$75,579

30% ROM – Solar Financials

Financial Information	Description	Estimated Amount
New Solar Price	Seven Targeted Sites	~\$8,900,000
Safe Harbor Material Contract	Included in the New Solar Price Estimate	\$669,245
Solar Recommissioning	Improvement of 16 Existing Solar Projects	~\$1,500,000
First-Year Savings (New Solar)	PG&E Avoided Costs	~\$290,000
First-Year Savings (Recommissioning)	PG&E Avoided Costs	~\$150,000
Lifecycle Savings	Total PG&E Avoided Costs	~\$22M
Incentives	Solar Investment Tax Credit (ITC) Direct Pay	~\$3.5M

Next Steps

Safe Harbor and More

Contract Approval

- May 21st: Facility Committee recommendation to the BOE to adopt resolution
- **May 27th: Adoption of Resolution at OUSD Board Meeting**

Safe Harbor Timeline

- Order, purchase and title material before July 5th

Finalize Projects

- Finalize fixed-firm project scope, price, guaranteed savings and schedule
- Estimated finalization date September 2026
- Installation date Summer 2027 (New Solar)



Any Questions?

For more information, please reach out:

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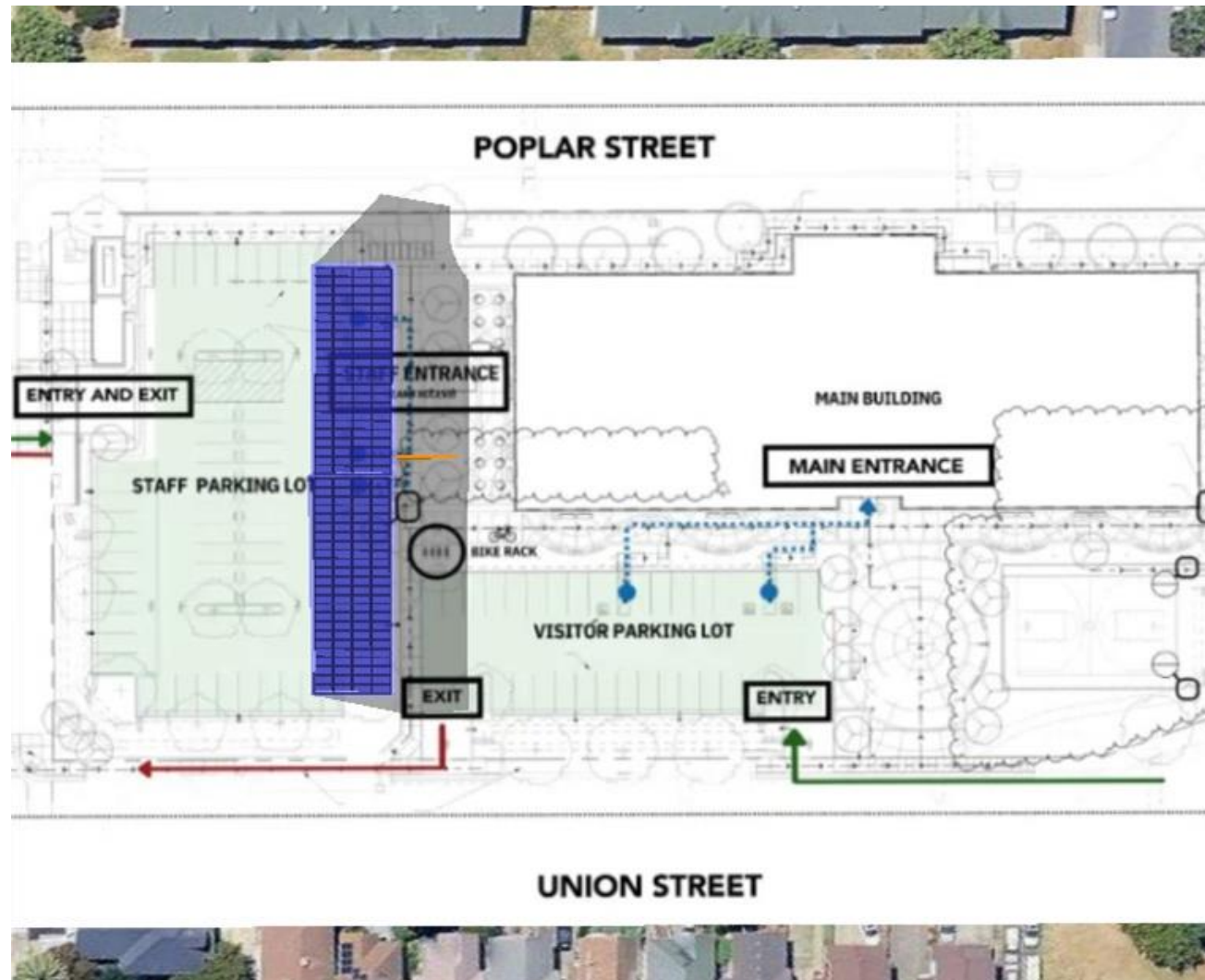
Appendix

Preliminary Solar Site Designs



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MARCUS FOSTER LEADERSHIP



**Sample
Mock Up of
Potential
Placement**

EAST OAKLAND PRIDE



**Sample
Mock Up of
Potential
Placement**

FREMONT HIGH SCHOOL



GLENVIEW



PRESCOTT



**Sample
Mock Up of
Potential
Placement**

THINK COLLEGE NOW/INTERNATIONAL COMMUNITY SCHOOL



**Sample
Mock Up of
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Claremont



Thank You



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