GNYADA

Greater New York Automobile Dealers Association

Bagels with Bieber

DMV-DIRECT

REGISTRATION, TITLING, & BEYOND...
CALL 718.747.0400

GNYADA's vehicle registration and titling service, DMV-DIRECT, has been dealers go-to source for fast, convenient, & reliable DMV services.

DMV-DIRECT provides many DMV related services, including:

- Permanent Registration Issuance
- Duplicate Titles In 3 To 5 Days
- Out-of-State Registration & Title Processing for 42 States
- On-Site Connecticut Plates Issuance
- Dial-In Information Verification
- In-Transit Processing
- Duplicate Registrations
- Registration Renewals
- Title-Only Transactions
- Plate Surrenders
- Dealer Plate Renewals
- Rental Plate Renewals
- Repossessed Vehicles Processing
- MV-82 & Transmittal Forms Supplied
- Boat Registrations – Renewed and Duplicates
- Trailer Plates
- Commercial Plates

August & September Education and Training Classes

August 8	August 9	August 17
Maximizing CRM Potential **(New)**	Post This Not That! **(New)**	Intermediate Microsoft Excel **(New)**

September 12	September 13	September 14
Phone Etiquette for Receptionists	Service BDC Manager and Appointment Coordinator Training	Billers' Workshop: Processing NYS DMV Transactions

September 19	September 21
GNYADA Sales Academy	Essential Skills for New Service Advisors

Visit www.gnyada.com/education to Register

Save The Date: GNYADA Regional Meetings

October 17th – Queens

October 18th – Westchester

October 19th – Long Island

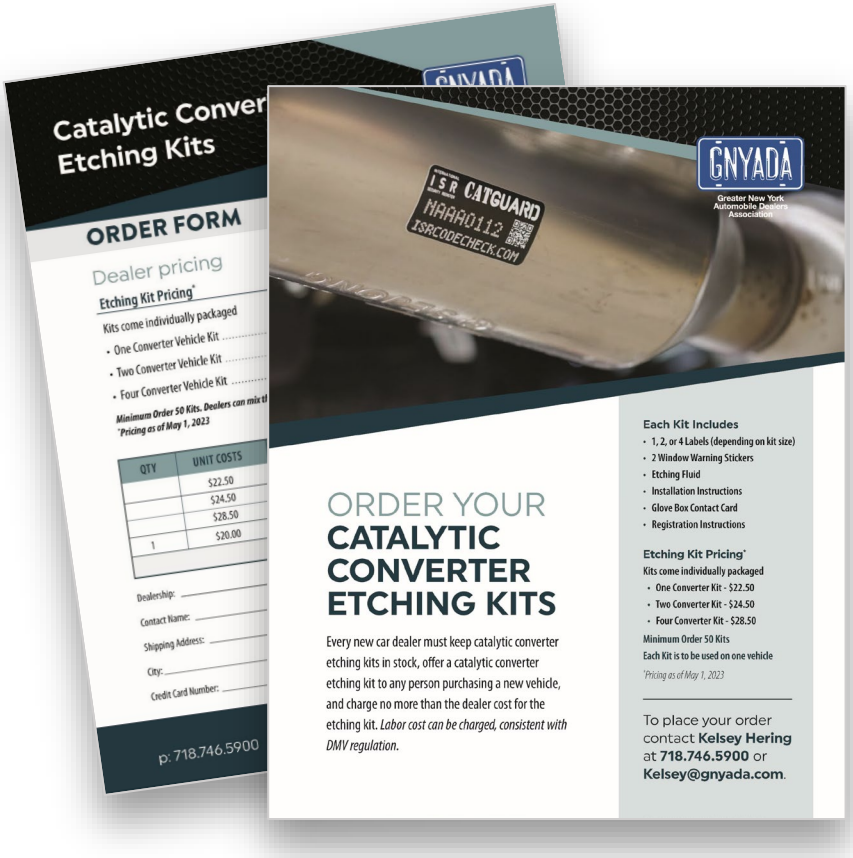
GNYADA Surety Bonds

Lowest Pricing in the State

New Car bonds can be issued **within 24 hours** and the new $100,000 Used Car Only bonds in 2-3 days.

New Car Bonds pricing remains $300 for two years.

80% of GNYADA members get their bonds with us.



CATETCH

Dealer pricing

Etching Kit Pricing*

Kits come individually packaged

- One Converter Vehicle Kit $22.50
- Two Converter Vehicle Kit $24.50
- Four Converter Vehicle Kit $28.50

Minimum Order 50 Kits. Dealers can mix the number of labels per kit.
****Pricing as of May 1, 2023***

For more information or to purchase your CATETCH kits, contact the Association at 718.746.5900.

Managing Utility Costs as You Invest in Electrification

SPROCKET POWER
DRIVE — THRIVE — ELECTRIFY

Webinar Agenda:

- Review incentives, rebates, and especially utility expense relief in the form of performance incentives tailored to the contribution of distributed energy.
- These come from several sources –
  - Federal – Upfront tax incentives through the IRA, REAP, etc.
  - State -
    - Upfront incentives for solar, EV Charging
    - Ongoing operating incentives in the form of credits earned when distributed energy is delivered to the grid.
- Demonstrate content through local dealership case studies

SPROCKET POWER
DRIVE — THRIVE — ELECTRIFY

Case study #1 – Long Island Dealership with separately-metered DC Fast charger

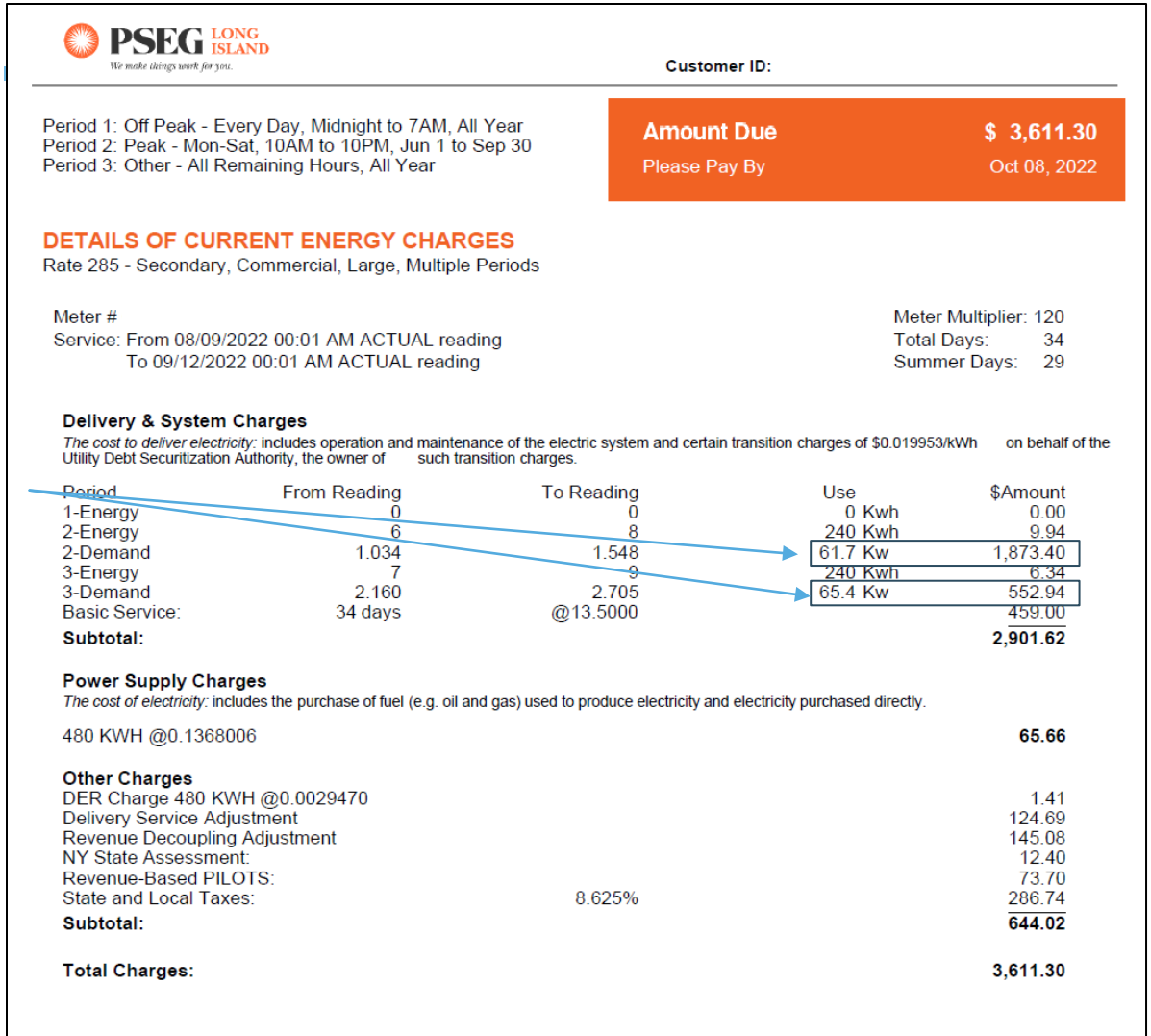
Challenges faced by dealership:

- The utility electric service for an existing DCFC is problematic, but also represents an opportunity.
  - Existing publicly available DCFC Fast Charger is separately metered, resulting in high demand charges that cannot be mitigated by the building load.
  - Electrical service to serve the DCFC is 480 V service, providing spare capacity for additional chargers

- Additional EV chargers required by the OEM will add 3X more charging capacity, exacerbating utility cost issue
- Recent utility rate increases and the existing metering configuration sharpened the sensitivity to these future costs

Case study #1 – Eastern Long Island Dealership with separately-metered charger

- Rate schedules on LI have a big impact on utility costs. Example of a separately-metered EV charger
- This dealer paid $3600 for roughly 8 hrs of charging on a 62.5 kW charger.
- Demand charges represent over 80% of the bill.



PSEG LONG ISLAND
We make things work for you.

Customer ID:

Period 1: Off Peak - Every Day, Midnight to 7AM, All Year
Period 2: Peak - Mon-Sat, 10AM to 10PM, Jun 1 to Sep 30
Period 3: Other - All Remaining Hours, All Year

Amount Due $ 3,611.30
Please Pay By Oct 08, 2022

DETAILS OF CURRENT ENERGY CHARGES

Rate 285 - Secondary, Commercial, Large, Multiple Periods

Meter #
Service: From 08/09/2022 00:01 AM ACTUAL reading
To 09/12/2022 00:01 AM ACTUAL reading

Meter Multiplier: 120
Total Days: 34
Summer Days: 29

Delivery & System Charges

The cost to deliver electricity: includes operation and maintenance of the electric system and certain transition charges of $0.019953/kWh on behalf of the Utility Debt Securitization Authority, the owner of such transition charges.

Period	From Reading	To Reading	Use	$Amount
1-Energy	0	0	0 Kwh	0.00
2-Energy	6	8	240 Kwh	9.94
2-Demand	1.034	1.548	61.7 Kw	1,873.40
3-Energy	7	9	240 Kwh	6.34
3-Demand	2.160	2.705	65.4 Kw	552.94
Basic Service:	34 days	@13.5000		459.00
Subtotal:				**2,901.62**

Power Supply Charges

The cost of electricity: includes the purchase of fuel (e.g. oil and gas) used to produce electricity and electricity purchased directly.

480 KWH @0.1368006 **65.66**

Other Charges

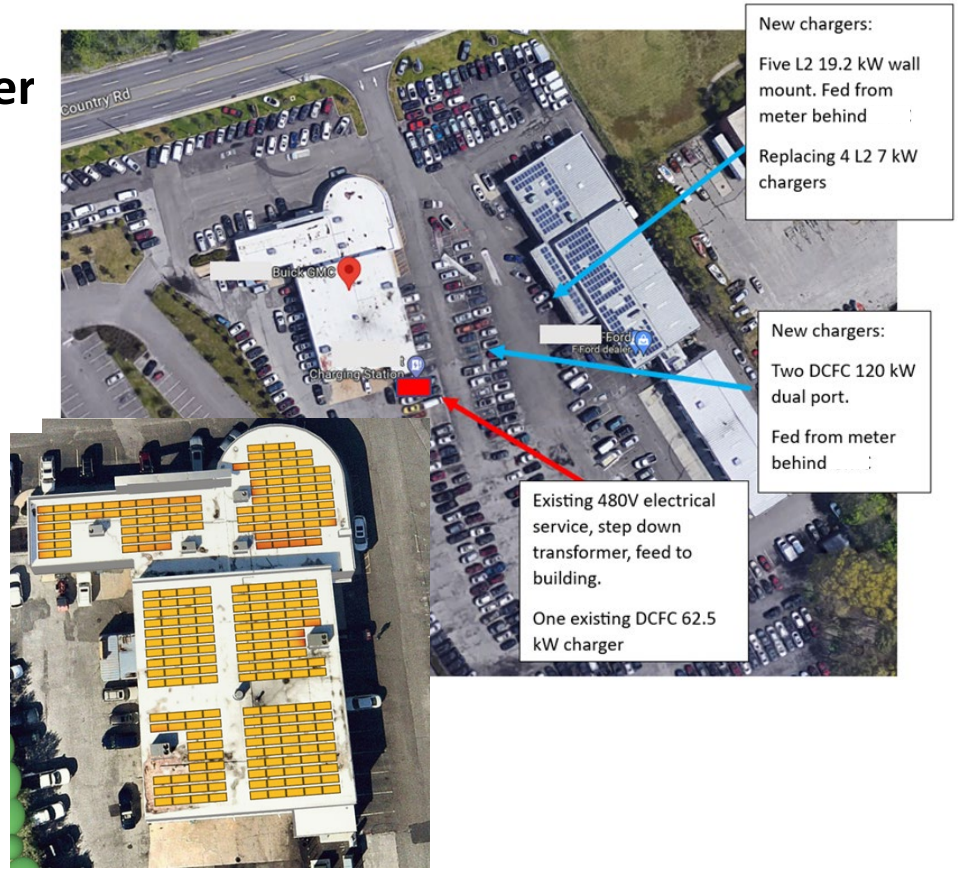
DER Charge 480 KWH @0.0029470		1.41
Delivery Service Adjustment		124.69
Revenue Decoupling Adjustment		145.08
NY State Assessment:		12.40
Revenue-Based PILOTS:		73.70
State and Local Taxes:	8.625%	286.74
Subtotal:		**644.02**

Total Charges: **3,611.30**

Case study #1 – Long Island Dealership with separately-metered DC fast charger

Solution

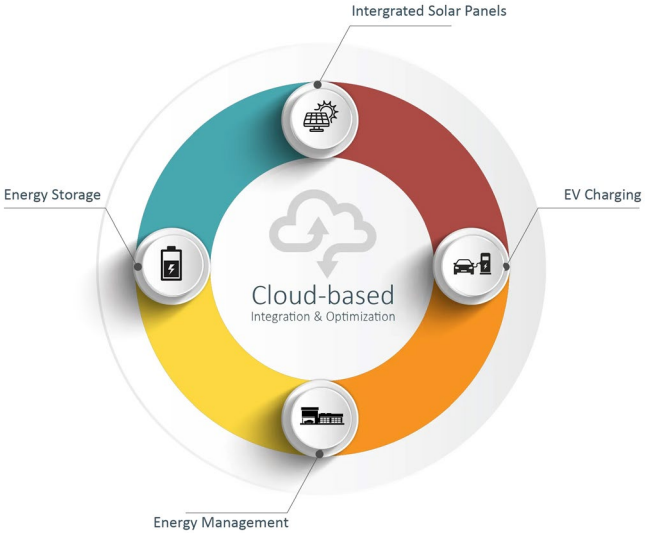
- Reworking electrical infrastructure to include:
  - Building load to dampen demand charge effects;
  - Rooftop solar energy to remove energy cost volatility;
  - Storage to further cushion demand charges;
  - Managed charging software.
- Integration with controls
- Maximize financial benefits:
  - Capital costs reduced by 50% through upfront incentives
  - Rural Energy For America Program (REAP) may provide an additional grant of 50%
  - Value of Distributed Energy Resources (VDER) is core to the investment case.



Case study #1 – Long Island Dealership with separately-metered charger

Results:

- Financial benefit – ROI of 18% (without REAP) makes a strong investment case.
- Fits dealer's desire to have a greater degree of control over future utility charges.
- Potential for REAP grant to further offset capital cost



Capital Cost Breakdown – Microgrid		
Solar	$	358,337
Battery Storage	$	460,000
EV Charging Related	$	228,800
Electrical Upgrades	$	175,000
Controls, Engineering and Misc	$	98,000
Energy Management Gateway	$	26,000
Insurance and Contingency	$	63,667
Total	$	1,409,804
Incentives		
EV Charging Make Ready	$	26,400
ITC	$	395,198
MACRS	$	308,727
Total incentives	$	730,326
Net Capital Cost	$	679,479

Case study #1 – Long Island Dealership Solution Advantages

Results:

- ✓ VDER Credits and Demand Response – revenue sources that make up a significant part of the investment case
- ✓ VDER credits are earned when excess distributed energy is delivered to the grid. Earned credits can be used to offset remaining bill costs or applied to other utility accounts.
- ✓ Demand Response payments are earned when load is reduced or energy is exported during specific high-stress grid periods.

Executive Summary of Project Economics in Year 1, 5 and 10				Project Life
	Year 1	Year 5	Year 10	
As is (unmanaged)				
Utility Costs	$ (50,257)	$ (136,501)	$ (166,468)	$ (4,711,293)
With managed microgrid System				
Utility Costs	$ (25,977)	$ (67,401)	$ (84,193)	$ (2,517,786)
Credits earned (VDER, Demand Response)	$ 52,970	$ 60,848	$ 73,061	$ 2,295,006
Operating costs (cloud-based oversight service, O&M)	$ (9,000)	$ (9,365)	$ (12,769)	$ (318,572)
Net operating cost	$ 17,993	$ (15,918)	$ (23,900)	$ (541,351)
Net economic benefit of system	$ 68,250	$ 120,583	$ 142,568	$ 4,169,942

Solar Value Stack Compensation

NY's approach #1 to solar energy: $/Watt upfront

In 2014, NYSERDA introduces Megawatt Block as a regional, multi-year/multi-tier incentive program, replacing a prior "one-size-fits-all" $/W incentive begun in 2003.

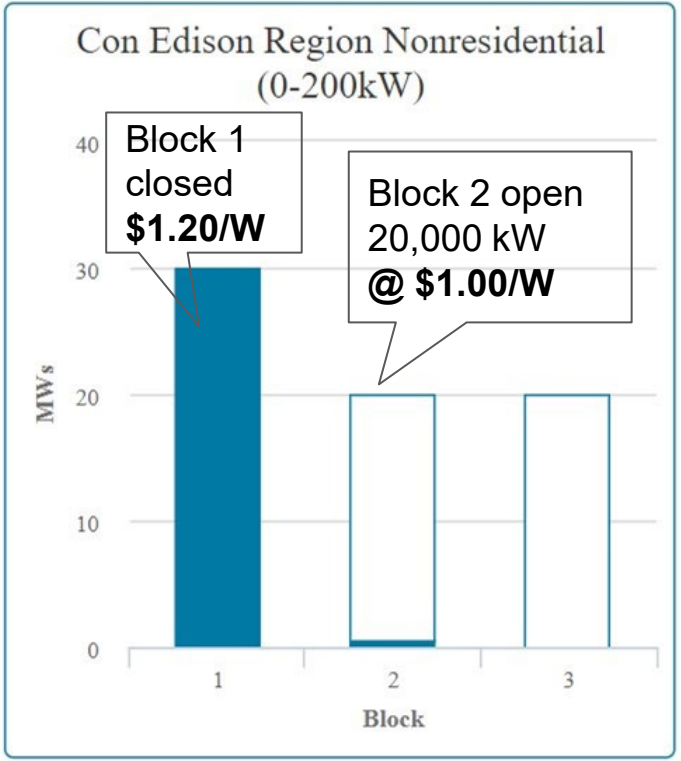
- **Up front, size-based** $/W (See NY-SUN Dashboard.)
- **$/W declines** as each successive MW block is fully subscribed.
- E.g. **$1/W in ConEdison for non-residential project under 200 kW in size.** (See bar chart)

Upside: Simple upfront incentives:

- Watts installed * $/Watt = $ per project
- e.g. 100,000 watts * $1.00 = $100,000

Downside: Rewards solar SIZE **not** solar QUALITY!

- Upfront $ **unconnected to solar performance** over life of the project.
- No incentive for **integrating energy storage** into solar.



NY's approach #2 to solar: Value Stack ($/kWh 25 yrs)

In 2017, NYS introduced a **"value stack"** compensation as a **life -of-project long term performance** based incentive:

- VDER = **V**alue of **D**istributed **E**nergy **R**esources comprise of a **stack of values** for each kWh.
- Earn $/kWh over 25 years tied to actual values of energy (kWh) injected into grid based on **variable locational and temporal values** of that energy to the local utility.
- (See VDER calculator or PSEG's VDER website.)

Upside: Replaces the need for upfront state incentive funds.

- Rewards solar QUALITY and actual performance over life of project.
- Earn: **VDER rate * Annual production = Annual VDER $ value (for 25 years)**
- **Enables Energy Storage** to be integrated with Solar to increase the earnings.

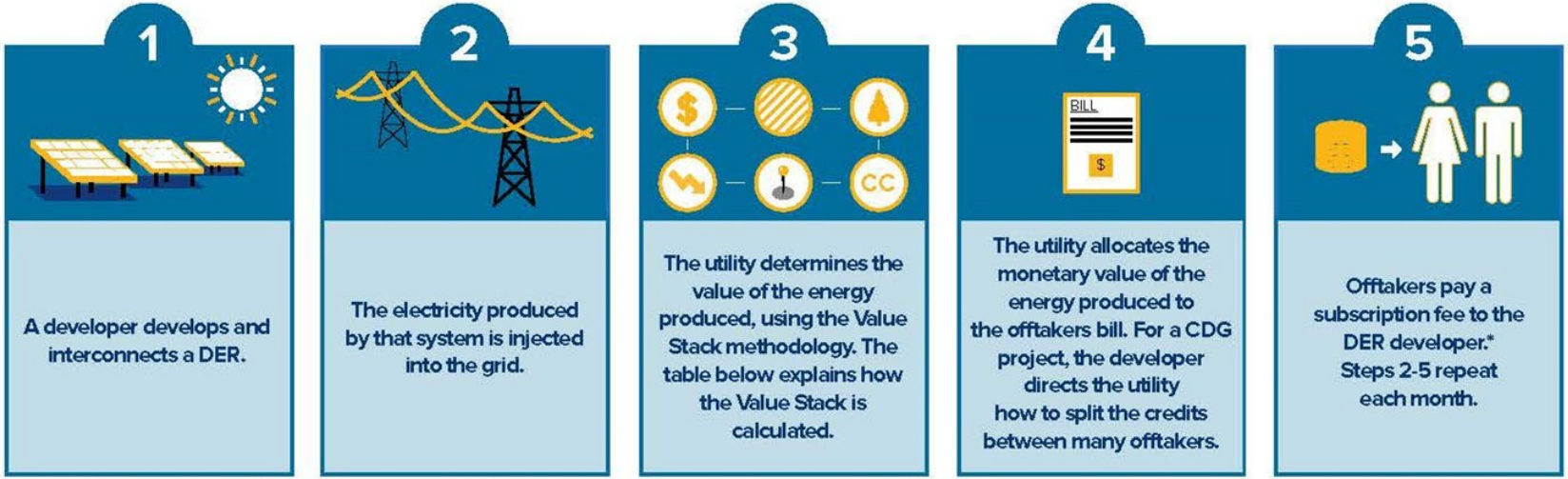
Downside: Complicated because it reflects projected energy value for every utility for each of 8760 hours for 25 years.

- VDER calculator undergoes regular updates.
- By 2019 VDER was accepted as a bankable projection of future earning over life of project.

The Value Stack

Compensation for Distributed Energy Resources

How the Value Stack works



*Currently, the offtaker will receive a separate bill from the developer. Under consolidated billing, the payment will be made by the utility to the developer "behind the scenes" and offtakers will only see their single electric bill.

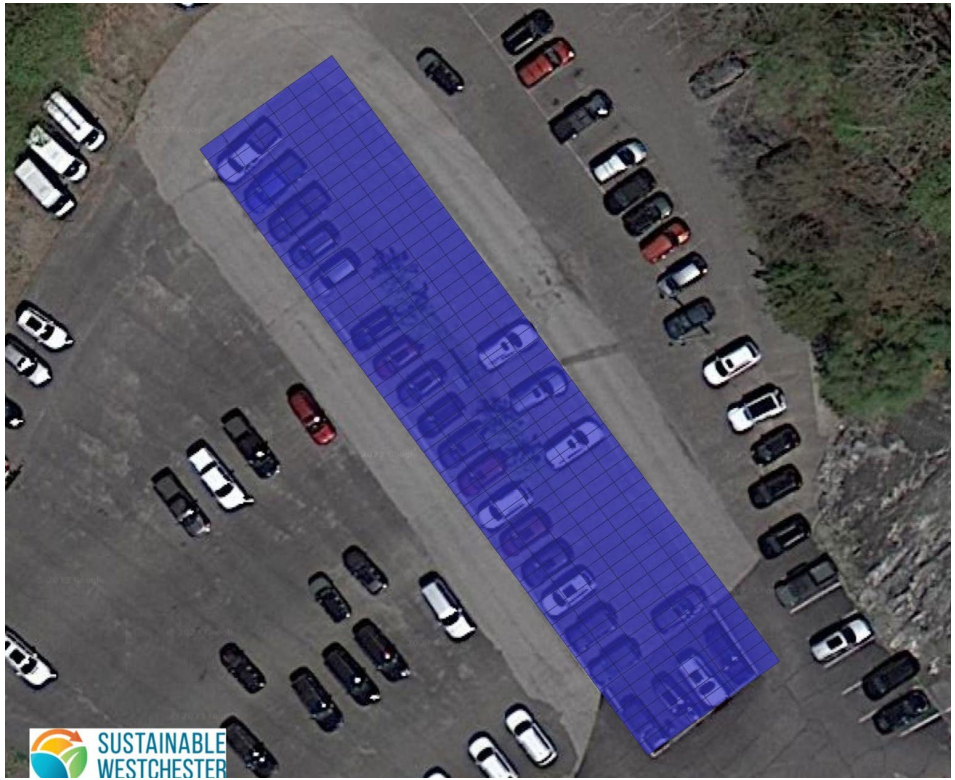
Source:NYSERDA

How the Value Stack is calculated

Value Name	Description	Sample earning: January 2024
Energy Value (LBMP)	LBMP is the day-ahead wholesale energy price as determined by NYISO. It changes hourly and is different according to geographic zone.	$ 485
Capacity Value (ICAP)	ICAP is the value of how well a project reduces New York State's energy usage during the most energy-intensive days of the year. Developers can choose from three payout alternatives and most ICAP rates change monthly.*	$ 46
Environmental Value (E)	E is the value of how much environmental benefit a clean kilowatt-hour brings to the grid and society. The E value is locked in for 25 years.**	$ 144
Demand Reduction Value (DRV)	DRV is determined by how much a project reduces the utility's future needs to make grid upgrades. DRV is locked in for 10 years.**	$ -
Locational System Relief Value (LSRV)	LSRV is available in utility-designated locations where DERs can provide additional benefits to the grid. Each location has a limited number of MW of LSRV capacity available. The LSRV is locked in for 10 years.**	$ -
		$ 675 total

Source: NYSERDA

Sample Project 1: Solar canopy for 40 vehicles (head in



- Solar capacity= 181 kilowatts dc
- (210 ft L x 48 ft W and min.13 ft height)
- NY-SUN incentive @$1/W= $181,000.
- Auto dealer uses 100,000 kWh/yr
- Projected solar production= 245,102 kWh/yr

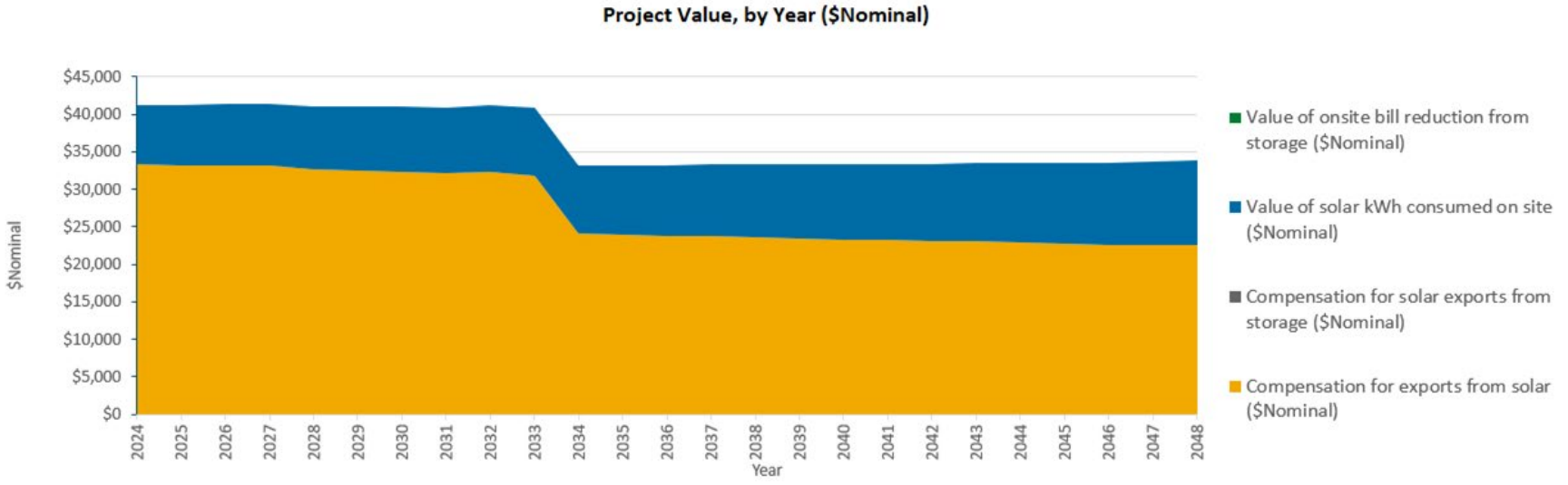
Rendering courtesy of Parasolstructures.com

VDER sample 1: 180 kW solar system with on-site use

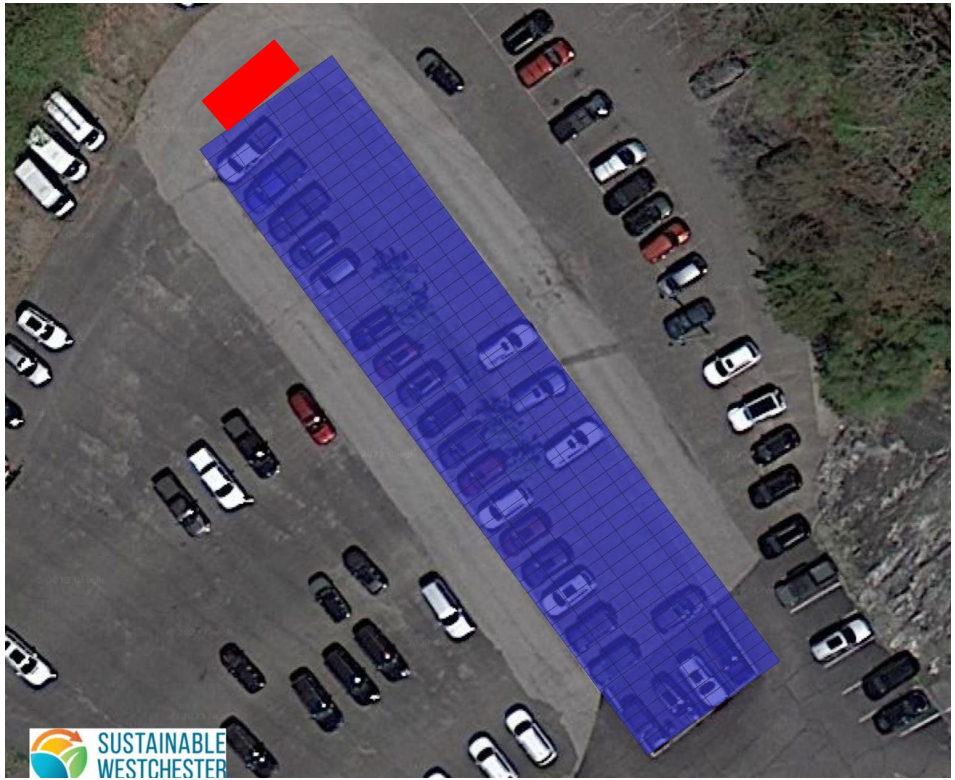
EXAMPLE: Project modeled below exports 245,102 kWh/y and the site uses 59,441 kWh/y from solar.

Utility will pay: VDER rate * Annual production = Annual VDER $ value for 25 years

- **Compensation for exports from solar** $ 33,314 (177,056 kWh * $0.1882/kWh)
- **Value of solar kWh consumed on site** $ 7,905 (56,467 kWh * $0.140/kWh)
- **Total value of energy produced** **$ 41,220 in year 1**



Sample Project 2: 180 kW Solar canopy + 250 kW



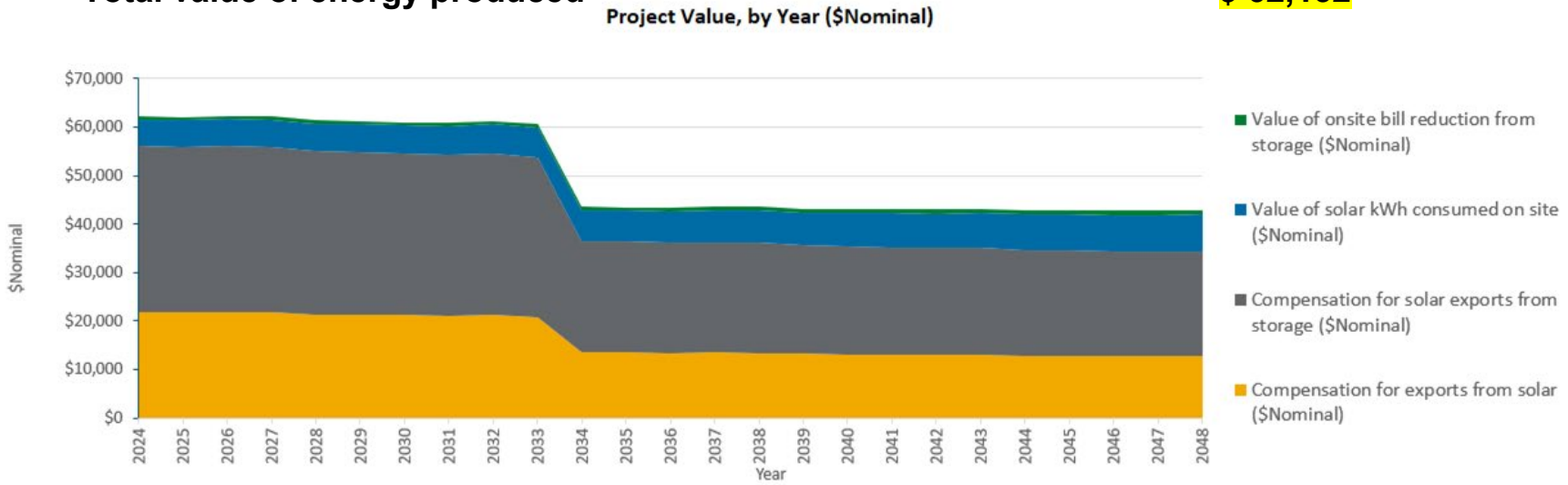
- Battery capacity= 250 kWac (560 kWh)
- Need 1-2 parking spots for battery gear
- Battery charges from solar and injects into grid during peak demands

Rendering courtesy of Parasolstructures.com

VDER sample 2: 180 kW solar system + 250 kW battery

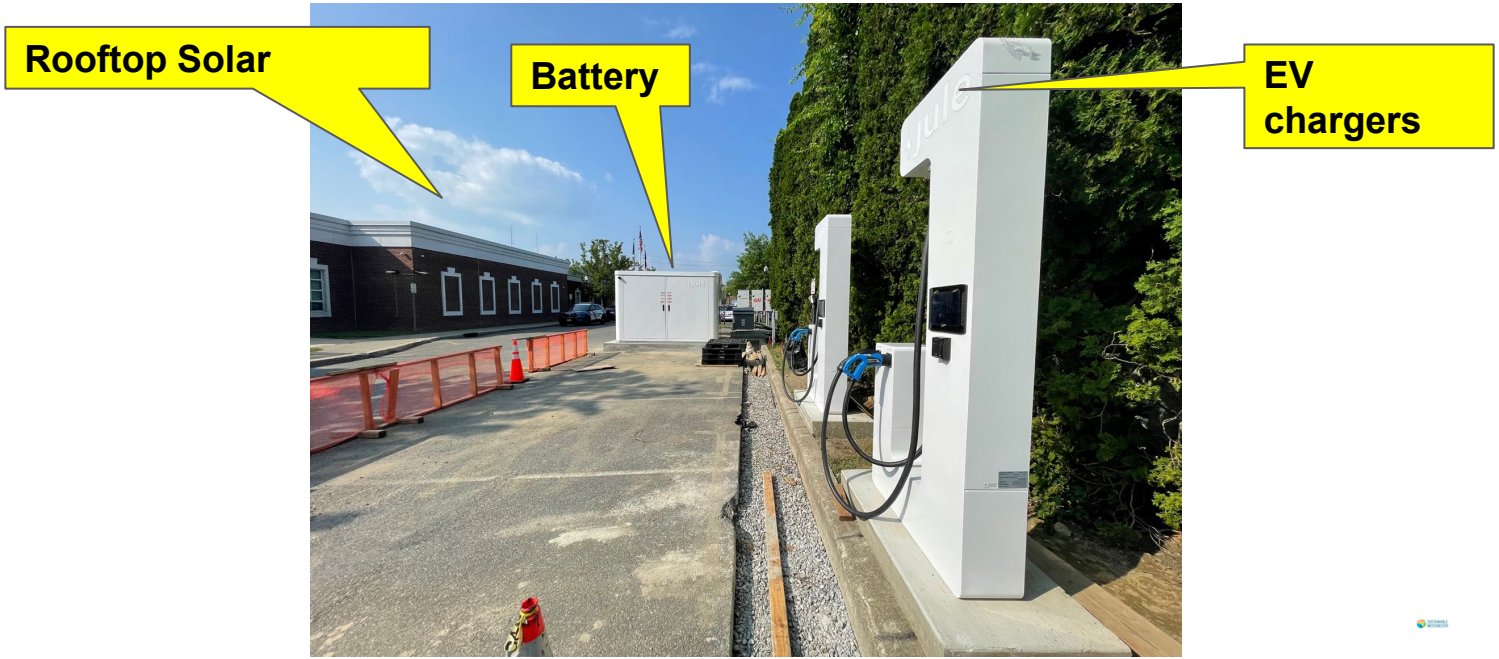
EXAMPLE: Project modeled below adds a 250 kWac (2@280 kWh) Energy Storage to 180 kWdc Solar.

- **Compensation for exports from solar** **$ 21,869**
- **Value of solar kWh consumed on site** **$ 5,425**
- **Compensation for solar exports from storage** **$ 34,214**
- **Value of onsite bill reduction from storage** **$ 625**
- **Total value of energy produced** **$ 62,132**



What's next? Why not Sunshine to EV?

- **EV chargers can be integrated into Solar + Energy Storage for maximum financial return.**
  - Photo taken at 40 Green Street, Mt Kisco, Police & Courts Bldg (June 2023).



In decision making, the VDER value stack has several implications:

- Credits can be accumulated and used to offset future bills
- Given the anticipated ramp of EV inventory, this eases the implication of timing on a decision – credits are there to use when you need them and carry forward
  - Take advantage of today's incentives to capture credits you can use in the future
- Program economics are highly complex. Many vendors do not include the analytics of programs like the VDER in project economics
- We have co-developed a modeling platform with our partner, ClimaFi to simplify and accurately clarify the values

Case Study #2 – NYC Dealerships subject to Local Law 92, 94 and 97 Requirements

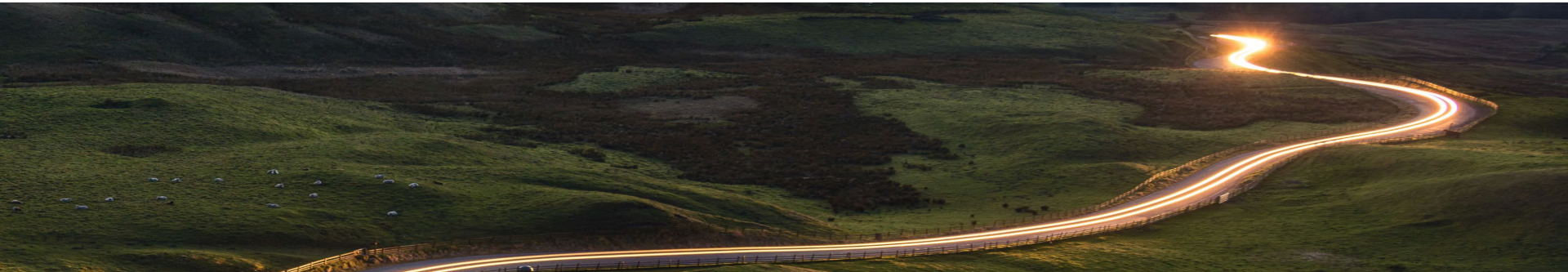
Challenge:

- Two dealerships in NYC where NYC laws require the following:
  - Benchmark GHG emissions for NYC buildings and require efficiency measures, measured GHG reduction to avoid penalties.
  - Solar is required on new construction and renovated rooftops
- Rising utility bills, driven by rising demand charges
- Unseen metering/tariff issues

Case Study #2 – NYC Dealerships subject to Local Law 97 Requirements

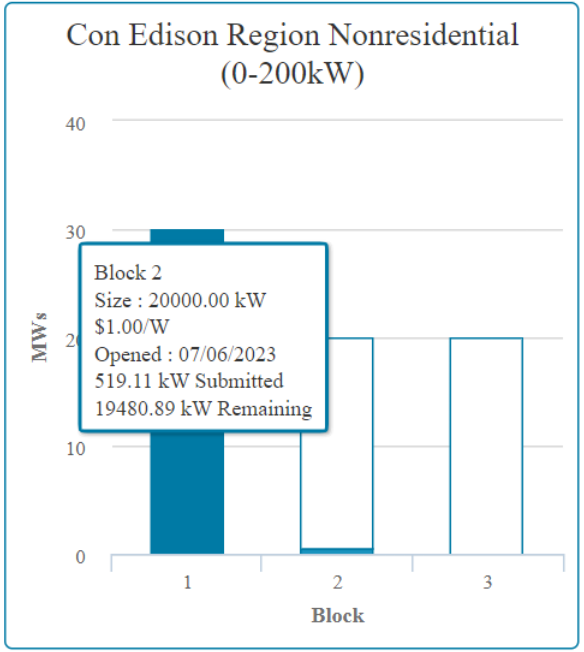
Solution:

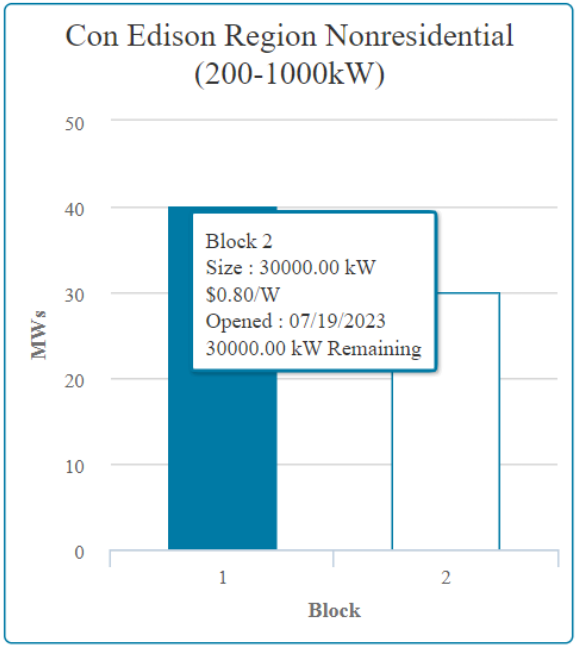
- Access current Con Ed incentives to offset costs of compliance
- Utility rate analysis revealed a significant overcharge resulting in a large reimbursement payment from Con Edison – we find anomalies, mistakes, and/or valuable advice on utility tariffs. Utility bills are increasingly complex.
- Solar PV reduces grid-supplied energy thereby reducing carbon penalty exposure.
- Carbon penalty value can be quantified and included in the financial analysis.



Case Study #2 – Sidebar on Con Ed Solar Incentives

- Con Ed's Block program has attractive incentives that cover one-third of the cost of Solar PV.
- Incentives are continually used and ratchet down over time.
- We can pursue engineering work and utility interconnection to secure this incentive. Once secured, site is qualified, and construction can take place over 12-18 months





- Source: https://www.nyserda.ny.gov/All-Programs/NY-Sun/Contractors/Dashboards-and-incentives/ConEd-Dashboard

Case Study #2 – Side bar on NYC Local Law 92, 94 and 97 Requirements

- LL 97:
  - Starting in 2024, the law assigns emissions limits for 60 different property types from Energy Star's Portfolio Manager that reflect the wide variation in energy use among buildings. Those limits ratchet down over five compliance periods, so each building's carbon emissions allowance will be reduced over time.
  - More info: https://www.urbangreencouncil.org/what-we-do/driving-innovative-policy/ll97/
- LL 92 and 94:
  - Beginning November 15, 2019, all new buildings and alterations of existing buildings where the entire existing roof deck or roof assembly is being replaced must provide a sustainable roofing zone (solar PV or "green" roof) covering 100% of the roof.

Inflation Reduction Act (IRA), Modified Accelerated Cost Recovery System (MACRS) and impact on capital costs for Auto Dealers

- The IRA has added to the project types eligible and reset the Investment Tax Credit (ITC) to 30% for solar PV plus microgrid controllers, standalone storage, and EV charging infrastructure, even solar-related roof repairs and/or replacement can be considered
- There are benefits to bundling – EV charger capital costs are subject to 6% ITC without prevailing wage requirements. When included in a clean energy project, EV charger installation costs receive the full 30% ITC
- Modified Accelerated Cost Recovery System offsets another 25% of capital cost in the form of accelerated depreciation.
- Together, these programs offset over 50% of project costs in the form of tax benefits

SPROCKET POWER
DRIVE — THRIVE — ELECTRIFY

Case Study #3 – Most Dealerships see Opportunity for Visibility, Prestige through regional publicity

- Local/Regional Business and Sustainability groups embrace electrification projects
- This is part of what we offer GNYADA members.
- Each of the dealers we are working with sees the project as a potential boon to customer visibility and marketing efforts

Summary:

- Every building is different, running financial scenarios helps flesh out and define plans
- Financial and value engineering are key to getting to the desired outcome. If you have a tax appetite, this can be a good time to take advantage of the IRA benefits
- Your P&L going forward will be impacted by energy economics. Protecting your bottom line takes an active approach and enlisting expertise.
- Available technology brings powerful tools but needs to be integrated. These approaches are common in larger Commercial and Industrial buildings but rare in auto dealerships.
- Clean energy projects generate “feel good”, earned publicity and accolades for you and your dealership.

SPROCKET POWER
DRIVE — THRIVE — ELECTRIFY

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