

August 17, 2010

Sean Reed, Executive Director
Clean Energy Coalition
44 East Cross Street
Ypsilanti, MI 48198

Dear Mr. Reed,

The Ann Arbor Downtown Development Authority ("DDA") is pleased to partner with the Clean Energy Coalition on the U.S. Department of Energy Clean Cities Recovery Act Project ("MI Green Fleets"). DDA is committed to transitioning a portion of its fleet to operate on electricity, recognized as an "alternative fuel" by the U.S. Department of Energy. Over the next fifteen months DDA plans to purchase 2 light-duty plug-in electric vehicles. During this same time period, DDA plans to install electric recharging infrastructure, including solar energy recharging capacity, at 1 site (22 charging stations) in a new DDA parking garage. DDA is seeking \$359,700 under the MI Green Fleets Project to fund a portion of the incremental vehicle costs and infrastructure associated with this project. The total cost for this project is estimated at \$1,681,300 with DDA providing a minimum estimated cost share of 50%.

DDA understands that funding under the Recovery Act for expansion of alternative fuel vehicles and infrastructure will be awarded on a competitive basis. If this partnership project application is approved by the U.S. Department of Energy ("DOE"), we will expediently enter into an agreement with Clean Energy Coalition and promptly begin ordering equipment. We will work with Clean Energy Coalition to develop a cooperative agreement incorporating DOE requirements for award of grant funds under this solicitation, including meeting all DOE data collection requirements. Furthermore, we understand that once we receive the stated agreement from Clean Energy Coalition, we have 20 business days to return the signed contract. If we do not return the signed contract within 20 business days, we forfeit any remaining opportunity to the Clean Energy Coalition Michigan Green Fleets project.

We are excited about the Michigan Green Fleets project and inclusion in this statewide application in Michigan. We believe in the national and environmental significance of this collaborative effort and hope to move forward with Clean Energy Coalition and the DOE to implement this project. Finally, DDA remains hopeful and confident that, if chosen, this alternative fuel project will lead to job creation for U.S. and Michigan residents.

Sincerely,

Susan Pollay, Executive Director
Ann Arbor Downtown Development Authority
spollay@a2dda.org

Ann Arbor DDA Electric Car Charging Grant Application

	<u>#</u>	<u>cost per unit</u>	<u>Install Cost</u>	<u>Total Cost</u>	<u>DDA Match</u>	<u>DOE Funds</u>	<u>Total</u>
Electric Car Chargers	22	\$3,500	\$1,500	\$110,000	\$93,600	\$110,000	\$203,600
Solar Energy System	13.8 kW	NA	NA	\$154,100	\$0	\$154,100	\$154,100
Electric Vehicle Purchase	2	\$67,800	NA	\$135,600	\$40,000	\$95,600	\$135,600
DDA Match - Parking Spaces	22	\$54,000	NA	\$1,188,000	\$1,188,000	NA	
					Total =	\$359,700	\$493,300

DDA Electric Charging Match

Transformer	\$20,000
Primary switch	\$23,000
Service Cabling	\$8,000
Distribution Equipment	\$42,600
Total =	\$93,600

DOE Costs

22 charge stations	\$77,000
Charge station wiring	\$33,000
Total =	\$110,000

Parking Space value + Project Total = **\$1,681,300**

