

Business Item: 2016-235:
**Unsolicited Community Solar
Garden (CSG) Subscription
Agreements**

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Environment Committee: November 15, 2016



Minnesota's Solar Background

- Increased focus on environmental sustainability and mitigation of climate change
- Improving solar pricing and programs
- Continuing strong regulatory attention

Current 'Behind-the-Meter' Solar

- Environmental Services (ES) has 1.25 megawatt (MW) capacity at Blue Lake facility
 - Operational as of March 1, 2016
 - First month generated about 9% of Blue Lake's needed energy
- Metro Transit has two 40 kilowatt (kW) systems installed
 - In 2015, generated approximately 82,200 kWh
 - Panels installed at 30 bus shelters



Community Solar Garden Background

- Currently, the Council has 12 megawatts (MW) of CSG agreements executed
 - 25% of the subscriptions under construction at the Blue Lake and Empire Wastewater Treatment Plants.
 - 75% are subscriptions offered to the Council via the Local Government Community Solar Collaborative
- 1 MW of solar energy powers 164 homes for a year, on average



CSG Background

- Council roles in the Community Solar Garden (CSG) program:
 1. Hosting Community Solar Gardens on its property
 2. Subscribing to shares of Community Solar Gardens located on or not on Council property
 3. Convening / Procuring / Collaborating
 4. Educating others

Current CSG Projects

- Blue Lake Community Solar Garden
 - Installation in progress
 - 4 ES Subscription Agreements
 - 4 Transit Subscription Agreements
 - Local government subscribers: Prior Lake, Chanhassen, Waconia
- Seneca Community Solar Garden
 - 2 agreements in place; installation scheduled for 2017

Current CSG Projects (Continued)

- 5 MW Empire Community Solar Garden
 - Installation in progress
 - 5 ES Subscription Agreements
 - 5 Metro Transit Subscription Agreements
 - Local Government subscribers: Empire, Lakeville, Burnsville, and Dakota County
- Solar Collaborative Subscriptions
 - ES & Transit executed 43 subscription agreements

Pending CSG Subscription Offers

- Oak Leaf Energy Partners
- Innovative Power Systems
- SolarCity
- Offer through City of MPLS RFP process

Proposed Parameters for Delegation to Regional Administration

1. Subscriptions will not exceed one third of a division's total energy load
2. Business reason that time is of the essence
3. Meets Council policies and procedures
4. Legal terms are acceptable
5. Agreements offered to the Council require little to no contract negotiations

Proposed Financial Parameters

- Includes pricing that is deemed competitive
- Provides net present value savings for tax or rate payers
- Ensures there remains a net or neutral cash flow, from CSGs, in aggregate

Rationale

- Continue to advance solar energy in the region
- Achieve MCES renewable energy goals
- Share in the financial benefits
- Assist other communities in advancing solar energy

Proposed Action

- That the Metropolitan Council authorize its Regional Administrator the discretion to sign or delegate the authority to sign unsolicited Community Solar Garden (CSG) subscription agreements with developers that meet the Council's defined parameters as shown in Attachment A of the business item.

Questions