

Transportation Committee

Meeting date: September 14, 2015

For the Metropolitan Council meeting of September 23, 2015

Subject: Authorization to Award, negotiate and execute Power Purchase Agreements and Facility License Agreements with Solar City Corporation

District(s), Member(s): District 5, Steve Elkins; District 7, Gary Cunningham; District 13 Richard Kramer; District 14, Jon Commers

Policy/Legal Reference: Thrive MSP 2040 (sustainability); Council Policy 1-2 Environmental Sustainability; Governor Exec. Order 11-13;

Staff Prepared/Presented: Robert Rimstad, 612-349-7768

Division/Department: MT c/o Brian Lamb, 612-349-7510

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to Award, negotiate, and execute Power Purchase Agreements and Facility License Agreements with Solar City Corporation.

Background

Thrive MSP 2040 calls for the Council to take actions to further environmental sustainability in and beyond our own operations. By advancing renewable energy development in the region, the Council can help to reduce climate impacts relating to energy generation.

This is an opportunity for the Council to lock in an electrical rate for the next 25 years, advance clean solar energy on Metro Transit sites, generate financial benefits for our fare and tax payers, and advance solar in the region.

In this proposal, Metro Transit will host approximately 4.7 megawatts of “behind the meter” solar at six different transit facilities. These sites are the Fred T. Heywood Garage, Nicollet Garage, South Garage, Minneapolis Light Rail Operations and Maintenance Facility, Overhaul Base, and East Metro Transit Facility. The power generated will offset power consumption of the facilities on site.

Rationale

Solar City Corporation met the Request for Proposal requirements and exceeded the evaluation panel expectations by offering the highest yield of energy annually. It addressed the overall performance of the system and as well as cost. Further, demonstrated experience is seen through work accomplished in other national markets. The proposal exhibited the most competitive price per kilowatt hour (kWh) for roof mounted sites based on market rates and current utility rates. It is estimated that the net present value of energy savings is \$4.0 million dollars over 25 years.

Funding

In this proposal, the Council would pay for only the energy produced at the solar facilities. The Council will be purchasing energy directly from the developer, which will offset some of the energy the Council would otherwise purchase from Xcel Energy.

Known Support / Opposition

No known opposition