

ADMINISTRATION DEPARTMENT

DATE: JANUARY 18, 2022

TO: MAYOR AND CITY COUNCIL

FROM: DAVID CHRISTIAN, ASSISTANT CITY MANAGER

SUBJECT: LETTER OF INTENT TO EXPLORE INSTALLATION OF SOLAR CANOPIES

AT CITY FACILITIES

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to execute a Letter of Intent (LOI) with ForeFront Power to explore the feasibility and cost effectiveness of installing solar canopies at various City facilities.

BACKGROUND

Over the past several years, City staff have considered a number of solar projects at various City facilities for feasibility and cost effectiveness. However, none of the proposed projects made sense from a cost savings standpoint.

In addition, we have recently learned that the California Public Utilities Commission (CPUC) is considering a proposal that would drastically change the rate structure as it pertains to unused solar energy that is sold back to the utility for credits as well as the connectivity of solar power to the utility grid making it less cost effective than it currently is.

DISCUSSION

The City was recently approached by ForeFront Power with a request to perform a Renewable Energy Assessment. ForeFront is a renewable energy provider that was selected in a statewide competitive request for proposal (RFP) process initiated by the School Project for Utility Rate Reduction (SPURR), via their Renewable Energy Aggregated Procurement (REAP) program. SPURR is a Joint Powers Authority acting as a buying consortium for the aggregated procurement of utilities and is available for all California public agencies. It has been determined that the City may rely on this competitive procurement process in-lieu of doing its own RFP.

The initial assessment from ForeFront resulted in a proposal for the installation of solar canopies at three different City facilities that would appear to generate enough renewable energy to make it cost effective for the City. However the plans are very preliminary and City staff have not had adequate time to fully review them at a detailed level and make any modifications. However, if the City were to submit certain paperwork prior to the pending

LETTER OF INTENT TO EXPLORE INSTALLATION OF SOLAR CANOPIES AT CITY FACILITIES

Page | 2

decision by the CPUC, we could be grandfathered in with the current rate structure which has the potential to provide cost savings to the City.

Nothing in the LOI commits the City to completing a project with ForeFront, but simply allows them to file applications on our behalf prior to any rate changes that would adversely affect any potential cost savings. Any project that is considered at any City facility would go through the normal approval process and ultimately be brought before the City Council for final approval at a later date.

FISCAL IMPACT

There is no fiscal impact for executing the LOI. Should the City enter into the LOI and then later terminate it within a one year period, there would be minor administrative costs payable to ForeFront.

ALTERNATIVES

Do not authorize the City Manager to execute the LOI an issue a separate RFP. However, this will take a considerable amount of time and would not allow the City to be grandfathered in with the current rate structure.

ATTACHMENTS

None.