

POWER SYSTEM
OCT. 25 2016
EXECUTIVE OFFICE

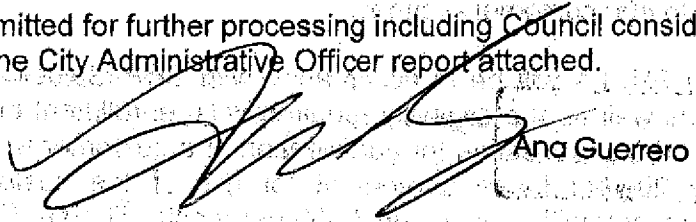
0150-10831-0000

TRANSMITTAL

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| TO David H. Wright, General Manager Department of Water and Power | DATE OCT 24 2016 | COUNCIL FILE NO. 15-00000 |
| FROM The Mayor | COUNCIL DISTRICT | |

COMMUNITY SOLAR PROGRAM – PHASE I SOLAR ROOFTOPS PROGRAM

Approved and transmitted for further processing including Council consideration.
See the City Administrative Officer report attached.



Ana Guerrero

MAYOR

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: October 24, 2016

CAO File No. 0150-10831-0000
Council File No.
Council District:

To: The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: Communication from the Department of Water and Power dated September 15, 2016; referred by the Mayor for report on September 20, 2016

Subject: **COMMUNITY SOLAR PROGRAM – PHASE I SOLAR ROOFTOPS PROGRAM**

RECOMMENDATIONS

That the Mayor:

1. Approve the proposed resolution to authorize the Department of Water and Power (DWP) Board of Commissioners (Board) to delegate authority to the DWP General Manager to execute Solar Rooftop Program Lease Agreements (SRPLA) with a term up to 20 years, pursuant to Charter Section 606; and,
2. Return the proposed resolution to the Department for further processing, including Council consideration.

SUMMARY

Approval of the proposed resolution will encourage customer-side photovoltaic (PV) development in areas identified with low levels of solar incentive investments. Development of the Phase I Solar Rooftops Program (SRP) is based on industry research and communications with local stakeholders and advocacy groups. As proposed, the SRP will be the first DWP Community Solar Program (CSP) installing approximately 1 megawatt (MW) of aggregated solar capacity on approximately 300 to 400 customer rooftops.

Participation in the SRPLA will be in accordance with SRP Guidelines, which define the SRP guiding principles as well as the eligibility requirements, enrollment priority, application process, selection criteria, and compensation for participation. If a customer is selected to participate, the DWP will enter a 20-year lease agreement for use of the customer's rooftop space and compensate the customer with a payment of \$30 per month. The DWP will utilize the rooftop area to install a DWP-owned PV system using DWP labor for the installation, ongoing maintenance, and the potential removal of the system. The SRPLA can be terminated by the homeowner or DWP with a 90-day written notice.

The total anticipated cost of the SRP is approximately \$12.9 million over a 20 year term. Upon full implementation, DWP estimates the aggregated energy generated from the SRP will be approximately 1,576 MW hours (MWh) annually and 31,536 MWh over 20 years.

Pursuant to Charter Section 606, unless the Council takes action of disapproving the proposed resolution within 30 days after submission to the Council, the document will be deemed approved. The City Attorney has approved the resolution and Agreement as to form and legality.

FISCAL IMPACT STATEMENT

Approval of the proposed resolution impacts the DWP Power Revenue Fund with an expenditure totaling approximately \$12.9 million over a 20 year term. There is no fiscal impact to the City General Fund. The proposed Agreement complies with the Department's adopted Financial Policies.

MAS:RR:10170038