



## Request for City Council Committee Action From the Department of Finance and Property Services

**Date:** September 17, 2012

**To:** Honorable Betsy Hodges, Chair Ways & Means Committee

**Subject:** **Approval of Standby Tariff Contract with Xcel Energy for 100kW Solar Installation at the Royalston Maintenance Facility**

**Recommendation:**

1. Authorize proper City officers to execute documents with the Xcel Energy for connection of the 100kW solar installation at Royalston Maintenance Facility to Xcel's power grid.

**Previous Directives:**

- August 6, 2010 – Acceptance of \$1.35 million grant from the Minnesota Department of Commerce for solar power installations on public buildings within the Energy Innovation Corridor.
- August 5, 2011 – Acceptance of the low bid of Able Energy Corporation for an estimated expenditure of \$415,650.85 to furnish and deliver all labor, materials, equipment and incidentals necessary to complete a 100kW - 110kW Photovoltaic System Installation at Royalston Maintenance Facility.

**Prepared by:**

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Brian Millberg, Energy Manager

**Approved by:**

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Kevin Carpenter, Chief Financial Officer, Finance & Property Services Dept.

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Paul Aasen, City Coordinator

**Reviews**

Permanent Review Committee (PRC): Approval \_NA Date \_\_\_\_\_

Civil Rights Approval Approval \_NA Date \_\_\_\_\_

Policy Review Group (PRG): Approval \_NA Date \_\_\_\_\_

**Financial Impact:**

No financial impact. Action is within Budget.

**Community Impact:**

City Goals: Eco-Focused.

**Background/Supporting Information**

For solar PV systems greater than 60kW in size, the Public Utilities Commission requires that the owner of the solar array enter into a Standby/Supplemental Service contract that is an amendment to the regular interconnection agreement between a building owner and Xcel Energy. By signing this amendment, there will be no increase in utility charges for the Royalston Facility compared to the current charges. The amendment simply states that Xcel will be required to provide all of the building's power in the event that the solar array does not produce power at any given time.

**Recommendation:**

City staff recommends the authorization of proper City officers to execute documents with the Xcel Energy for connection of the 100kW solar installation at Royalston Maintenance Facility to Xcel's power grid.