

Legislation Details (With Text)

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On agenda: 2/24/2020 **Final action:** 2/24/2020

Title: Duke Energy Green Source Advantage Program

Attachments:

Date	Ver.	Action By	Action	Result
2/24/2020	1	City Council Business Meeting	Approve	Pass

Duke Energy Green Source Advantage Program

Action:

- A. Authorize the City Manager to negotiate and execute a service agreement for solar energy generation with Duke Energy Carolinas LLC and Olin Creek Farm Solar, LLC, and their respective subsidiaries and affiliates for the city's participation in Duke Energy's Green Source Advantage Program, and**
- B. Authorize the City Manager to amend the agreement consistent with the purpose for which the agreement was approved.**

Staff Resource(s):

Phil Reiger, General Services
Sarah Hazel, City Manager's Office

Explanation

- Duke Energy's Green Source Advantage (GSA) program is a renewable energy program that enables large customers located in North Carolina to support the development of utility-scale renewable energy while meeting their sustainability goals and lowering carbon emissions.
- The GSA program offers the flexibility of selecting and negotiating all price terms directly with a solar developer. Participation in the GSA program required the city to have a selection process to select its solar developer.
- On June 7, 2019, the city issued a Request for Proposals (RFP); six responses were received.
- Carolina Solar Energy, LLC and Ecoplexus Inc. (now doing business as Olin Creek Farm Solar, LLC) submitted a joint proposal that best meets the city's needs in terms of qualifications, experience, cost, and responsiveness to the RFP requirements.
- Olin Creek Farm Solar, LLC will construct and operate the solar energy project in Iredell County.
- Under the service agreement, the city will purchase renewable energy certificates generated by the solar energy project for the next 20 years.
- Based on city modeling, the city will pay an annual electric bill premium in years 1-10 and receive annual electric bill credits in years 11-20. Over the course of 20 years, the city is projected to save \$2.0 million in electricity expenditures.
- Participation in the GSA program would move the city to 24 percent attainment of the city's 2030 Zero-Carbon Buildings Strategic Energy Action Plan goal and places the City of Charlotte as the leader in North Carolina for municipal utility-scale renewable energy procurement.
- To give a sense of scale, the solar energy project will produce enough zero carbon electricity that equates to powering 10,000 homes annually.

Background

- The city applied to the GSA program on October 1, 2019, and was notified by Duke Energy on October 3, 2019, of its acceptance into the program.
- The city provided an overview of the GSA program to Council at the October 28, 2019, Business Meeting.

Fiscal Note

Funding: Various Departments' Operating Budgets