



Legislation Details (With Text)

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Solar FIT Update (NB)

Per City Commission direction, staff telephoned ten owners representing 23 PV systems with a combined capacity of 2,499.23 kW and offered their deposits back if they would formally withdraw their capacity allotment. All project owners confirmed that they were moving forward with their projects and none offered to relinquish capacity. Certified letters were also sent to all of the owners to confirm this offer.

Based on the results of this effort, staff recommends no further action be taken on this year's Solar FIT capacity allocation. Staff also recommends implementation of process changes for the 2012 Solar FIT capacity allocation as recommended by staff and the City Auditor's office.

Staff was unable to secure any additional capacity for the 2011 Solar FIT by contacting those who had not yet completed projects. In addition, there were 21 small (<10kW) systems remaining to be constructed that were either in the FIT Light or the 2011 FIT program totaling 163.99 kW of capacity. Of these small systems, owners totaling 35.42 kW of capacity notified us in writing that they would not construct their systems after they were sent a letter several months ago. In addition, there are three projects remaining from the original 2011 capacity queue totaling 2,154.523 kW. These projects are either underway or their owners have said they will construct. In summary, staff can only confirm that 35.42 kW of projects will not be constructed by the deadlines of October 31 for roof top systems and December 31 for ground mount systems.

2012 Capacity Considerations

There is approximately 1.7 MW of available capacity in the 2012 Solar FIT program. Several Commissioners expressed an interest in making sure any advancement of capacity would not mean additional costs to customers beyond those costs previously approved by the City Commission. Based on this, 1 MW of capacity could be advanced to 2011 and another lottery conducted for just those customers who previously applied in 2011 but were unsuccessful. However, the remaining 700 kW of capacity would have to be removed from the 2012 Solar FIT to make it cost neutral, since the price for 2012 solar energy will undoubtedly decrease. Another cost neutral option would be to make the 1.7 MW of capacity from 2012 available in 2011 but at the 2012 pricing. Staff believes the 2012 pricing will be about 20 percent lower than the 2011 pricing. Both of these considerations would mean that there would be no new capacity available until 2013.

There is no additional fiscal impact based on staff's recommendations.

Hear a presentation from staff on actions taken in response to the request to contact customers in the 2011 Solar FIT and offer to provide their deposits back in exchange for giving up their capacity allotment.