



Legislation Details (With Text)

File #: 21-0008 **Version:** 1 **Name:**

Type: Informational Report **Status:** Worksession Item

File created: 12/21/2020 **In control:** Board of County Commissioners

On agenda: 1/4/2021 **Final action:**

Title: Participation in Duke Energy’s Green Source Advantage Program To Meet Renewable Energy Goals (20min)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Green Source Advantage Program BOCC 1_4_21

Date	Ver.	Action By	Action	Result
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Item:
Participation in Duke Energy’s Green Source Advantage Program To Meet Renewable Energy Goals (20min)

Date of BOCC Meeting: January 4, 2021

Request for Board Action:

The Board is hereby requested to receive a briefing on Duke Energy’s Green Source Advantage program and provide direction to staff on participation in the program.

The BOCC adopted a resolution in 2018 calling for a plan to transition County operations to 80% clean, renewable energy by 2030 and 100% clean, renewable energy by 2050 with the purposes of building a more resilient community, promoting job creation and sustainable economic growth, and protecting our local community and the Earth for current and future generations. Staff are currently working with a consultant to create a plan to reach this ambitious goal.

Initial analysis shows that it is not feasible to meet the County’s electricity needs exclusively through solar panels on county facilities and that a larger, commercial scale system will be needed. In addition, the cost of a kWh of solar electricity from a commercial scale system is less than half of that from rooftop solar. The most cost-effective option right now is Duke Energy’s Green Source Advantage (GSA) program. The GSA program allows participants to partner with a solar developer to build a project, agreeing to pay a set amount to offset their electricity purchases for a set term (usually 15-20 years). Duke Energy pays the customer back a credit on their bills that covers part of the cost of the payment to the developer. The program offers these customers the flexibility of selecting and negotiating all price terms directly with a solar developer of their choice, including the retention of Renewable Energy Certificates (RECs) generated by a solar facility owned by the developer. The customer does not pay any upfront capital costs, on-going maintenance, or decommissioning costs of the facility. After paying a small administrative fee to participate in the program, all costs afterwards are paid on a monthly basis based on electricity use.

The GSA program is almost already at maximum capacity currently allowed by law. Current participants include the City of Charlotte and Duke University. There may be another opening for participation in 2022 and it is expected to be very competitive. To take advantage of this current opportunity, the County is considering partnering with the City of Durham to apply for a 20-year agreement from a utility-scale solar energy project up to 30 MW in size located in Duke Energy Carolinas territory (10 MW for the County and 20 MW for the City). The County's portion would offset approximately 85% of current electricity use. On October 1, the City General Services Department issued a Request for Information (RFI) on behalf of the City and County for solar companies that have projects in the Duke Energy Interconnection queue that would be eligible for the GSA program, and received five responses. Based on these responses, City and County staff have drafted a Request for Proposals (RFP) to be issued in January 2021, pending City Council and Board of Commissioners approval. It is unlikely the County would be able to find a developer willing to partner with on GSA without the added demand from the City to make the project large enough to be cost-effective.

Alignment with Strategic Plan: This request aligns with Strategic Plan Goal #4 (Environmental Stewardship and Community Prosperity) - by providing a plan to transition to clean, renewable energy that will help the county meet its greenhouse gas emissions reduction goals in a just and equitable way.

Resource Persons: Tobin L. Freid, Sustainability Manager; and Peri Manns, ASLA, LEED GA, Deputy Director of Engineering and Environmental Services

County Manager's Recommendation: The County Manager recommends that the Board receive the briefing and provide guidance to staff on participation in this program.

County Manager: _____