



DeKalb County Government

Manuel J. Maloof Center
1300 Commerce Drive
Decatur, Georgia 30030

Legislation Text

File #: 2018-2015, Version: 1

Substitute

Public Hearing: YES ☐ NO ☒

Department: Board of Commissioners - District 1

SUBJECT:

Commission District(s): ALL

Request Approval of Concept of 30-Year Lease Agreement between REC Solar Commercial Corporation and DeKalb County, Georgia, Whereby Hannah Solar LLC under The Georgia Power Redi Program Would Construct and Maintain a Floating Solar Array at The Scott Candler Water Filter Plant.

Information Contact: Commissioner Nancy Jester

Phone Number: (404) 687-2797

PURPOSE:

To request approval of concept of a thirty (30) year lease agreement with REC Solar Commercial Corporation whereby, Hannah Solar LLC would construct a floating solar array on the Scott Candler Water Filter Plant Reservoir No. 2 capable of producing three (3) megawatts (MWDC) of sustainable, clean electricity.

NEED/IMPACT:

In 2016, the Department of Watershed Management developed a conceptual plan to place floating solar arrays on the Scott Candler Water Filter Plant reservoirs. These reservoirs make ideal locations for this application as there is no natural cover. The floating solar arrays have the needed benefits of providing clean, sustainable electricity for the plant and for use by Georgia Power, it provides shading of the reservoirs to reduce evaporation resulting in water conservation (much needed by the region), and potentially reducing algal blooms that impact drinking water quality and treatability.

As part of the 2016 Integrated Resource Plan (IRP) process, Georgia Power and the Georgia Public Service Commission (PSC) stipulated an agreement to procure renewable energy generation through a variety of programs. The Renewable Energy Development Initiative (REDI), is the program by which Georgia Power will procure one thousand two hundred (1,200) MW of capacity from solar, wind and/or biomass resources. In 2017, Georgia Power began the process to procure one hundred (100) MW of distributed generation (DG) projects, from one (1) kilowatt (kW) up to three (3) MW, through a RFP at a price not to exceed Georgia Power's long-term avoided cost. Georgia Power will also procure 50 MW of customer-sited DG projects, from one (1) kW up to three (3) MW, through a lottery process (if over-subscribed) and contracted at pre-determined prices not to exceed Georgia Power's long-term avoided cost. The renewable projects selected through the REDI programs will provide generation to the company's portfolio and deliver energy savings for Georgia Power customers. On November 22, 2017, Hannah Solar LLC with its financier, submitted REDI application #322-8 for a three (3) MW Floating Solar Project at the Scott Candler Water Filter Plant. Subsequently, on December 28, 2017,

Georgia Power selected and green lighted the Hannah Floating Solar Project in the REDI application for this project and placed the project on the Selection List for the REDI Customer-Sited DG Program.

FISCAL IMPACT:

The proposal provides for the following:

- A thirty (30) year lease agreement with \$18,000.00 annual lease payments (for a total of \$540,000) paid to DeKalb County Department of Watershed Management.
- A one hundred thousand dollar (\$100,000.00) administration fee payment to DeKalb County Department of Watershed Management at completion of a fully executed lease agreement between DeKalb County and REC Solar Commercial Corporation
- An operations and maintenance agreement to be performed by Hannah Solar LLC for the floating solar array that requires REC Solar Commercial Corporation to remove the array, at their cost, for repairs/maintenance as needed by DWM
- A no-cost capital improvement project for DWM with capital costs paid by REC Solar Commercial Corporation (costs for the county are with staff labor including legal review and coordination within the public private partnership (PPP))
- A three (3) MW Solar Electricity Facility with the electricity supplied directly to Georgia Power under the REDI program
- A promotional opportunity for DeKalb County and the DeKalb County Department of Watershed Management as a sustainability leader by promoting the Solar Electrical Facility at the Scott Candler Water Filter Plant, which will be one of the largest solar electricity production facilities in North America.

RECOMMENDATION:

To approve the Resolution and provide approval of the concept of a thirty (30) year lease with REC Solar Commercial Corporation and authorize representatives of the Department of Watershed Management and the Environmental Energy Manager, with the assistance of the County Attorney and her designees, to negotiate the terms of the proposed lease and any other necessary documents that will be brought back to the Board of Commissioners for consideration..