

MEMORANDUM

TO: City of Milwaukee Public Works Committee FROM: We Energies – Joel Haubrich (414) 221-4102

REGARDING: Please support the Solar Resolution

DATE: February 19, 2020

Please support item 191604 – "SUBSTITUTE A" proposed by **Ald. Spiker**. The resolution relates to a lease and service agreement for the construction and operation of a solar photovoltaic system on a City-owned closed landfill at 1600 E College Ave.

Solar Now Overview

Through the Solar Now program, eligible government, nonprofit, commercial, and industrial customers may host a collection of solar photovoltaic (PV) ground- or roof-mounted panels, referred to as an array, with no upfront or ongoing costs. The City will receive monthly payments over the duration of the lease, which is 20 years.

Working with partners across the state, We Energies has completed projects with the School District of New Berlin, Washington County, Northland Pines School, University Lake School and the School District of Random Lake. These projects are feeding 5 MW of renewable energy into the grid. We have agreements in place for an array at UW Parkside, Port Washington-Saukville School District and the Village of Saukville. We currently have enough requests to exhaust well beyond the 35 MW limit set by the Public Service Commission of Wisconsin.

Solar Now is part of the company's plan to create a cleaner energy future that is safe, reliable and affordable. Working with industry partners, environmental groups and state leaders, We Energies and its parent company WEC Energy Group are working to reduce carbon dioxide emissions 40% below 2005 levels by 2030 and 80% by 2050.

Customer Benefits of Solar Now

The City's Lease payments are estimated to be a net \$90,000 to \$100,000 per year. The City will also receive renewable energy credits equal to the output of the array. The City's 2.25 MW project will produce enough energy to power roughly 500 homes. Hosting the array will help reduce fuel costs to all We Energies customers while maintaining fuel diversity and reducing carbon emissions. The City will also receive the Renewable Energy Credits that help demonstrate its commitment to having 25% of its electric load generated by renewable sources.

Roles and Responsibilities

We Energies

- Pays for project costs
- Owns solar facilities
- Provides lease payments to customer

Sunvest

- Designs, constructs and maintains array
- Serves as customer liaison throughout project

City of Milwaukee

- Agrees to lease and service agreement terms
- Hosts array
- Receives lease payment and renewable energy credits

Eligibility and Site Requirements

Participation is limited to a customer's firm load, up to a maximum of 2.25 megawatts.

When the lease ends, the system is removed and the site is returned to its original state unless the parties reach a mutual agreement on another arrangement.

Participating in Solar Now does not impact the customer's current electric service or energy bill. The program is a separate transaction.

Please vote to Support

Your support for **item 191604 – "SUBSTITUTE A"** proposed by **Ald. Spiker**, will advance the City of Milwaukee's goal of having 25% of its electric load generated by renewable sources. This first step in a partnership between We Energies and the City of Milwaukee can eventually lead to 100% of the City's electric needs being generated by renewable energy