

LEGISLATIVE REFERENCE BUREAU FISCAL ANALYSIS

PUBLIC WORKS COMMITTEE

ITEM 7, FILE #061426

MARCH 7, 2007

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File Number 061426 is a resolution relating to application for, and acceptance and funding of grants from WE Energies and Focus on Energy program for a photovoltaic system to be installed at the Recycling Education Center.

Background

1. The photovoltaic system to be installed at the Recycling Education Center at 1313 W. Mount Vernon Ave., and is intended to decrease demand for utility generated electricity and reduce net energy expenses.
2. This project will reduce long-term energy costs at the Recycling Education Center. This project is part of ongoing City efforts to reduce energy costs and DPW Operations Division, Buildings and Fleet Services' ecological footprint in the outer buildings.
3. This initiative supports the Mayor's directive to reduce energy at DPW facilities.

Discussion

1. These grants will partially fund the installation of a 15 kW photovoltaic system at the Recycling Education Center. This system will consist of 54 solar panels and 3 inverters on the roof of the building that will provide 15 kW of electricity.
2. Grants were received November 2006, for a period of up to 18 months to allow for construction and installation of the project. Construction is scheduled for 2007.

Fiscal Impact

1. The total cost of this project is \$120,000, with a grantor share of \$77,000 (64%), and a City share of \$43,000 (36%).
2. The grantor share of this project is \$77,000, divided between WE Energies (\$42,000) and the Focus on Energy program (\$35,000).
3. The City share of this project is \$43,000; the funds will be drawn from the Capital Improvements Fund – Facilities Systems.
4. The estimated savings through a WE Energies buy back option will be \$3,700 annually for 10 years.

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