



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: December 19, 2011
To: Honorable Mayor & City Council
From: Alan Schneider, Director of Project Administration 
Subject: Solar Energy For City Buildings Project Status Report
Attachments: none

INTRODUCTION

This report is an update on the completion of the solar energy project at the Civic Center. Staff will demonstrate a tool provided under the contract to monitor the live performance of the solar system. This initiative reflects the City's commitment to energy conservation and a comprehensive renewable energy program for City-owned buildings.

DISCUSSION

Under a contract approved on November 30, 2010 with Sun Light & Power a total of 1596 photovoltaic (PV) solar panels were installed on the combined roofs of the Library, Police Facility and Civic Center Garage. The garage panels are mounted on steel canopies providing both shade for parkers on the roof level and a mounting surface for the PV panels.

The total solar energy system is estimated to generate over 615,000 kWh of electricity a year which is equivalent to approximately 449 metric tons of CO₂, the emissions of 86 cars or the electricity for 40 average homes.

The system went live on September 14, 2011 with the first phase activation of PV panels on the Library and Police Facility. The second phase went live on October 26, 2011 with the Civic Center Garage PV panels.

An important feature of the project is the monitoring system to report on live data of the solar system performance. The dashboard provides a host of information that can be accessed via the internet at the following City link: www.BeverlyHills.org/solar. The information is also displayed in the Library lobby and Permit Center to demonstrate to builders and developers that this technology is readily available and producing results.

The Sun Light & Power contract is a solar equipment lease in the amount of \$2,282,876. The lease is structured such that the lease payments are equal to or nominally more than the expected utility savings generated by the solar energy. Under a projected utility escalation rate of 5% annually, the utility savings plus the solar rebate to Sun Light &

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Power (under the California Solar Initiative program) and operating expenses equals the lease payment, thereby resulting in a \$0 cash flow until the early buy-out (at year 5 or year 8). The early buy-out at the City's option was negotiated into the agreement so the City would have the option to own if uncommitted capital investment funds became available and the buyout amount was less than the net present value of future lease payments.

Current electricity costs are such that the use of solar power is not being projected to create a huge windfall of savings beyond the cost of the system. However, the City Council approved the project knowing that expectation, in order to provide leadership in sustainable building practices and to demonstrate that feasibility.

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David Gustavson
Approved By