

BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING TRANE US, INC. (TRANE) TO DEVELOP AND
SUBMIT TWO MICROGRID INCENTIVE PROGRAM GRANT APPLICATIONS**

WHEREAS, Trane US, Inc. (*Trane*) has been diligently working to explore development of a Firemain Linked Auxiliary Supply/Hydraulic Energy Storage (*FLASHES*) facility, consisting of the Poe Mountain Upper Lake and Poe Mountain Hartley Projects; and

WHEREAS, the County of Lake has expressed strong interest in entering into a Lease Agreement for this project to be sited on County property located in North Lakeport area (*Poe Mountain*), assuming certain conditions can be met and community benefits conveyed; and

WHEREAS, development has reached a point where Trane indicates expenditure of millions of dollars is required to move the project through the next stage of design; and

WHEREAS, during this next stage of development, it is a possibility discoveries may be made that will render the project non-viable, and any associated expenditures made to date by Trane would therefore be unrecoverable; and

WHEREAS, Pacific Gas & Electric (PG&E), operating under the direction of the California Public Utilities Commission (CPUC), has developed the Microgrid Incentive Program (MIP), and this program can provide funding for costly next steps referenced above, reducing financial risk associated with the Poe Mountain Upper Lake and Hartley Projects; and

WHEREAS, the County of Lake and Trane wish to apply for MIP grant funding for both Poe Mountain (*i.e. N. Lakeport FLASHES*) Projects; and

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WHEREAS, the Microgrid Incentive Program (MIP) application process requires significant time, money and technical expertise to complete a conforming application, and Trane has the necessary capacities to undertake this work, in coordination with the County of Lake, as needed; and

WHEREAS, the MIP offers a \$25,000 application development grant for any applicant submitting a conforming application, and this would be expected to offset a portion of the expenses incurred by Trane; and

WHEREAS, the County of Lake finds allowing Trane to proceed with applications for both the Poe Mountain Upper Lake and Poe Mountain Hartley Projects is in the County’s interest, with the understanding any Trane fees associated with application development will be limited to the awarded value of the application development grant (*\$25,000 per project*); and

WHEREAS, in the event the applications are unsuccessful, Trane will charge no fee to the County for services rendered in preparing the applications; and

WHEREAS, if MIP funds are awarded, Trane and the County agree to amend their existing agreement to allow expenditure of the awarded funds for the purposes of furthering the Poe Mountain (*N. Lakeport FLASHES*) Upper Lake and Hartley projects.

NOW, THEREFORE, MAY IT BE RESOLVED:

The County of Lake authorizes Trane to develop and submit a Microgrid Incentive Program (MIP) grant application on the County’s behalf.

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MAY IT BE FURTHER RESOLVED:

Any fee charged by Trane for the development of this grant application is limited to the value of an application development grant awarded to the County.

In the event no application development grant is awarded, Trane will not charge the County any fee for application development services.

THIS RESOLUTION was passed by the Board of Supervisors of Lake County at a regular meeting thereof on the ___ day of _____, 2024, by the following vote:

AYES:

NOES:

ABSENT OR NOT VOTING

CHAIR, Board of Supervisors

ATTEST: Susan Parker
Clerk of the
Board of Supervisors

APPROVED AS TO FORM:

LLOYD GUINTIVANO
County Counsel

By: _____

By: _____