



Legislation Text

File #: 17-505, Version: 1

MEMORANDUM

TO: Board of Supervisors

FROM: Jan Coppinger, Special Districts Administrator

DATE: June 20, 2017

SUBJECT: Consideration and Discussion of a Power Purchase Agreement with Yolo County Flood Control & Water Conservation District

EXECUTIVE SUMMARY:

Yolo County Flood Control & Water Conservation District (YCFCWCD) owns and operates the Indian Valley Hydroelectric Facility (IV HEF). Their power needs are very small compared to the generation capacity at Indian Valley.

Lake County Special Districts currently pays PG&E over \$1 million dollars annually for the various districts and service areas we manage. We have utilized every resource available including, Time of Use Rates, Peak Day Demand Rates, solar generation, energy efficiency audits and adjustments. Despite these efforts, we have seen a 35% increase over the last three fiscal years. Although the rates have increased, other factors such as more solar generation during the drought years and increased pumping during the rainy season also factor in to this increase.

Payments to PG&E for the last three years are as follows:

FY 14/15	\$1,108,661.27
FY15/16	\$1,342,802.54
FY 16/17 YTD	\$1,493,189.87

YCFCWCD would like to sell their excess power and Special Districts would like to explore additional ways to decrease costs. Options exist that would allow Special Districts (or any County Department) to purchase power at a discounted PG&E rate. The Renewable Energy System, Bill Credit Transfer (RES-BCT) is a green power net metering program that allows local government agencies to use generation to offset power needs. A Joint Powers Agreement with YCFCWCD and a Power Purchase Agreement would need to be in place.

Under the RES-BCT, we can identify up to 50 meters to purchase power through. There is a one-time \$500.00 set up fee and a \$30.00 per month fee for each meter included in the power purchase. This

fee is paid to PG&E. For power used that was generated by YCFCWCD, dollar credits appear each month on the PG&E bill. Special Districts would pay YCFCWCD for the amount used at a discounted rate. In initial discussions with YCFCWCD they used 5% as a discount rate. Hopefully that is negotiable and a rate that provides them with additional income and provides Special Districts with a worthwhile discount can be agreed upon.

Due to the additional PG&E fees to participate in the power purchase, only large accounts with sizable bills would benefit. Special Districts does not have 50 large accounts so we would like to hear from any other department that may have large bills and wish to participate. The County Administration staff has expressed an interest.

Although this may not be a substantial decrease in costs, it can help offset additional increases in PG&E.

FISCAL IMPACT: __ None __ Budgeted __ Non-Budgeted
 Estimated Cost:
 Amount Budgeted:
 Additional Requested:
 Annual Cost (if planned for future years):

FISCAL IMPACT (Narrative):

STAFFING IMPACT (if applicable):

RECOMMENDED ACTION:

Staff requests Board direction on pursuing this option and negotiating an agreement with YCFCWCD.