

January 21, 2020

C-16

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to transfer the Southern California Edison meter (currently meter number V349N-001830) located near the Aquarium of the Pacific into the City of Long Beach's name; execute any necessary documents with the Aquarium of the Pacific to complete the transfer; and, enter into a Memorandum of Understanding (MOU) with the Aquarium of the Pacific defining financial responsibility for monthly expenses related to usage. (District 2)

DISCUSSION

On June 6, 2017, the City Council approved a Citywide Power Purchase Agreement (PPA) with PFMG Solar Long Beach, LLC (PFMG). Based on location, energy consumption, and community benefit, the Aquarium of the Pacific (Aquarium) Parking Structure was included in the original PPA as a solar panel power recipient. The project will help decrease the City's carbon footprint and the power generated by these solar panels will be less expensive than utility power and will result in long-term savings in operational costs.

The Public Works Department has identified an opportunity for additional capacity in the solar photovoltaic (PV) system at the Aquarium Parking Structure. Based on the revised proposal, the PV system will be sized at 1,062 kilowatt (KW), which is double the size of the original 524 KW system. To proceed with this expansion, all connected meters must be owned by a single utility customer. Currently the meters are under the Aquarium of the Pacific and must be transferred to the City of Long Beach. Under the proposed MOU, the meters will be transferred to the City, but any electricity bills resulting from the meters will remain the sole responsibility of the Aquarium of the Pacific.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on January 6, 2020, and by Budget Analysis Officer Julissa José-Murray on January 7, 2020.

TIMING CONSIDERATIONS

City Council action is requested on January 21, 2020, to ensure the project is completed expeditiously.

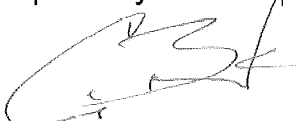
FISCAL IMPACT

The Solar Project at the Aquarium will be done as part of the Citywide Solar PPA. As detailed in the June 6, 2017 council letter, there will be no upfront or maintenance costs associated with this project for the City, and the City will purchase the energy produced by the solar panels for the 25-year term of the agreement at set rates. This is an alternative to buying energy from the electric utility. The agreement is anticipated to have an immediate positive environmental and fiscal benefits to the City and the Aquarium. Total savings are anticipated to grow over time. The Public Works Department projects that the proposed increase in the size of the PV system for the Aquarium will generate \$1.6 million in savings over the 25-year term of the agreement. The additional savings is a 63 percent increase from the original projection because of the expansion of the PV system. This recommendation has minimal impact on staff hours beyond normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG A. BECK
DIRECTOR OF PUBLIC WORKS

APPROVED:



THOMAS B. MODICA
ACTING CITY MANAGER