



SALT LAKE CITY CORPORATION

DIVISION OF SUSTAINABILITY

CITY COUNCIL TRANSMITTAL



RALPH BECKER

MAYOR

SCANNED TO: *mayor*
SCANNED BY: *mayor*
DATE: *12/15/2009 2:40 PM*

[Signature]
David Everitt, Chief of Staff

Date Received: *12/12/2009* 12/15/2009 *4/4*
Date sent to Council: *01/12/2010*

DATE: Dec. 11, 2009

TO: Ralph Becker, Mayor
Salt Lake City Council
Carlton Christensen, Chair

FROM: Vicki Bennett

SUBJECT: Solar America Cities Briefing

STAFF CONTACT: Vicki Bennett 535-6540
Director of Sustainability and the Environment

V. Bennett

RECOMMENDATION: The Solar Salt Lake partners team, including Utah Clean Energy and Salt Lake County, would like to brief the Council on the results of our first grant (just ending), plans for the second two-year grant, the upcoming Solar America Cities meeting in Salt Lake City and legislative efforts during this session.

BUDGET IMPACT: No direct impact. All funding is from DOE Grant monies.

DISCUSSION: Through the development of the "Solar Salt Lake" program, our goal is to develop a fully-scaled city and county-level implementation plan that will facilitate at least an additional ten megawatts of solar photovoltaic (PV) installations in government, commercial, industrial, and residential sectors by 2015. To achieve this aggressive goal, our program strategy includes a combination of barrier identification, research, and policy analysis that utilizes the input of various stakeholders. The result will be a comprehensive plan for Salt Lake City and Salt Lake County that supports long-term solar deployment, including integration into City/County planning and facilities, the introduction of policies and regulations that support solar adoption, the integration of solar in new housing developments, evaluation of solar bonds and other funding sources, and community-wide solar education and outreach.

Phase I Project Objectives:

- 1) Identify and reduce/eliminate the barriers to solar deployment in Salt Lake City and Salt Lake County.

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- 2) Develop a comprehensive implementation plan for Salt Lake City and Salt Lake County that establishes a long-term commitment to solar deployment.
- 3) Increase the installed capacity of solar energy in Salt Lake City and Salt Lake County, adding at least an additional 10,000 solar photovoltaic installations (10 MW) by 2015.
- 4) Work in partnership with private and public entities to advance residential and commercial solar installations.
- 5) Serve as a model for other cities who wish to integrate solar technology into their policy, planning, and processes.

Phase I Achievements:

- 1) Successfully lobbied to get net metering law passed at the Utah Legislature.
- 2) Participated in PSC discussions to get full cost-recovery of electricity charges for net-metered electricity.
- 3) Have held numerous stakeholder group meetings, working to identify barriers to solar.
- 4) Brought in outside experts to provide classes and training for installers.
- 5) Completed a demonstration project at Daybreak showing solar installations and "solar ready" homes.
- 6) Have worked with Salt Lake City and Clarion on local codes to promote solar installations.
- 7) Have created a "solar map" for residents to be able to determine the solar potential of their residence or business.
- 8) Completing a study to show how solar might assist electrical substations at peak times.

Phase II Project Description:

As we near the completion of Phase I of the project, the primary barrier that continues to prohibit widespread solar development in Utah is financing. Phase 2 of the Solar Salt Lake project will focus on four key strategies that will result in the removal of significant financial barriers. The four key strategies include:

- 1) Expansion of the utility's pilot solar-PV rebate (buy-down) program from 107 kW/year to at least 2 MW/year. This will create an exponential increase in participation; nearly 20 times the current level. Furthermore increasing the system-size cap will support more mid- to large-scale solar installations, thus enabling significant progress toward the 10 MW by 2015 goal.
- 2) A regulatory ruling on third party power purchase agreements (PPAs) will open the door for local governments, businesses, and other public entities to secure financing to install mid- to large-scale solar projects.
- 3) The identification and implementation of replicable alternative financing structures for Salt Lake County will serve as a replicable model for other nontaxable entities, such as governments, schools, churches, and nonprofits.
- 4) Stakeholder outreach and education on the aforementioned strategies will allow the Solar Salt Lake Team to share the process and outcomes of these activities, so that local governments, nonprofit organizations, private businesses, residents and other Solar America Cities may immediately take advantage of the lessons learned.

Additionally, the group is drafting a bill for this legislative session to allow both energy efficiency upgrades and renewable energy installations to be financed over time. The County would issue bonds that could be used to provide loans to homeowners and businesses that are paid back over time on their property taxes.