



## LODI CITY COUNCIL

Carnegie Forum  
305 West Pine Street, Lodi

## "SHIRTSLEEVE" SESSION

Date: December 17, 2013

Time: 7:00 a.m.

For information regarding this Agenda please contact:

**Randi Johl-Olson**

**City Clerk**

**Telephone: (209) 333-6702**

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### **Informal Informational Meeting**

- A. Roll Call by City Clerk**
- B. Topic(s)**
  - B-1 Lodi Solar Program Update (PW)
- C. Comments by Public on Non-Agenda Items**
- D. Adjournment**

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

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Randi Johl-Olson  
City Clerk



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# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Lodi Solar Program Update  
**MEETING DATE:** December 17, 2013  
**PREPARED BY:** Electric Utility Director

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**RECOMMENDED ACTION:** Receive Lodi Solar Program update.

**BACKGROUND INFORMATION:** In 2007, the City of Lodi created and implemented the Lodi Solar Program. This program includes the collection and expenditure of revenue to fund rebates for installed solar projects, as well as a designated electric utility rate for customers who have installed a solar system on their property.

The Lodi Solar Program Update will include a brief overview of the State law that requires the City of Lodi to offer a solar program and what issues are developing in the area of solar in California. In addition, staff will discuss customer participation in the Lodi Solar Program to date, as well as information pertaining to the Renewables Portfolio Standard, net-energy metering, and specifics regarding the 2014 Lodi Solar Program.

**FISCAL IMPACT:** Not applicable.

**FUNDING AVAILABLE:** Not applicable.

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Elizabeth Kirkley  
Electric Utility Director

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APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

# Lodi Solar Program Update

December 17, 2013

Lodi City Council Shirtsleeve Meeting



# Lodi Solar Program Update

- Program Summary
- Developing Issues
- Renewable Portfolio Standard (RPS)
- Net Energy Metering (NEM)
- Program Participation 2008 to 2013
- Solar Costs
- Solar Program 2014 & Beyond



# Program Summary

- Senate Bill (SB) 1 (2006)
  - 10-year program (1/1/08 to 12/31/17)
  - All electric service providers must offer solar incentives
  - Lodi requirement - \$6.1M
  - Rebates decline 7% per year
- Lodi Program established in 2007
  - Collected monthly via the *California Solar Surcharge* (\$0.00125/kWh)



# Developing Issues

- Claimed Solar Benefits
  - Green job creation
  - Reduces power purchases
  - Peak load reduction → distribution system capacity
  - Supports carbon and renewable requirements
- Equity Argument
  - Fixed cost recovery (distribution system)
  - Power costs for solar vs. non-solar customers
  - Affordability



# Renewables Portfolio Standard (RPS)

- 33% RPS requirement by 2020
- Current Lodi RPS Solar Resources (2013)
  - NCPA Hydro Solar – Lodi share @ ~7 MWh/yr
  - NCPA Geo Solar – Lodi share @ ~300 MWh/yr
- Future solar generation
- Customer-owned solar ineligible



# Net Energy Metering (NEM)

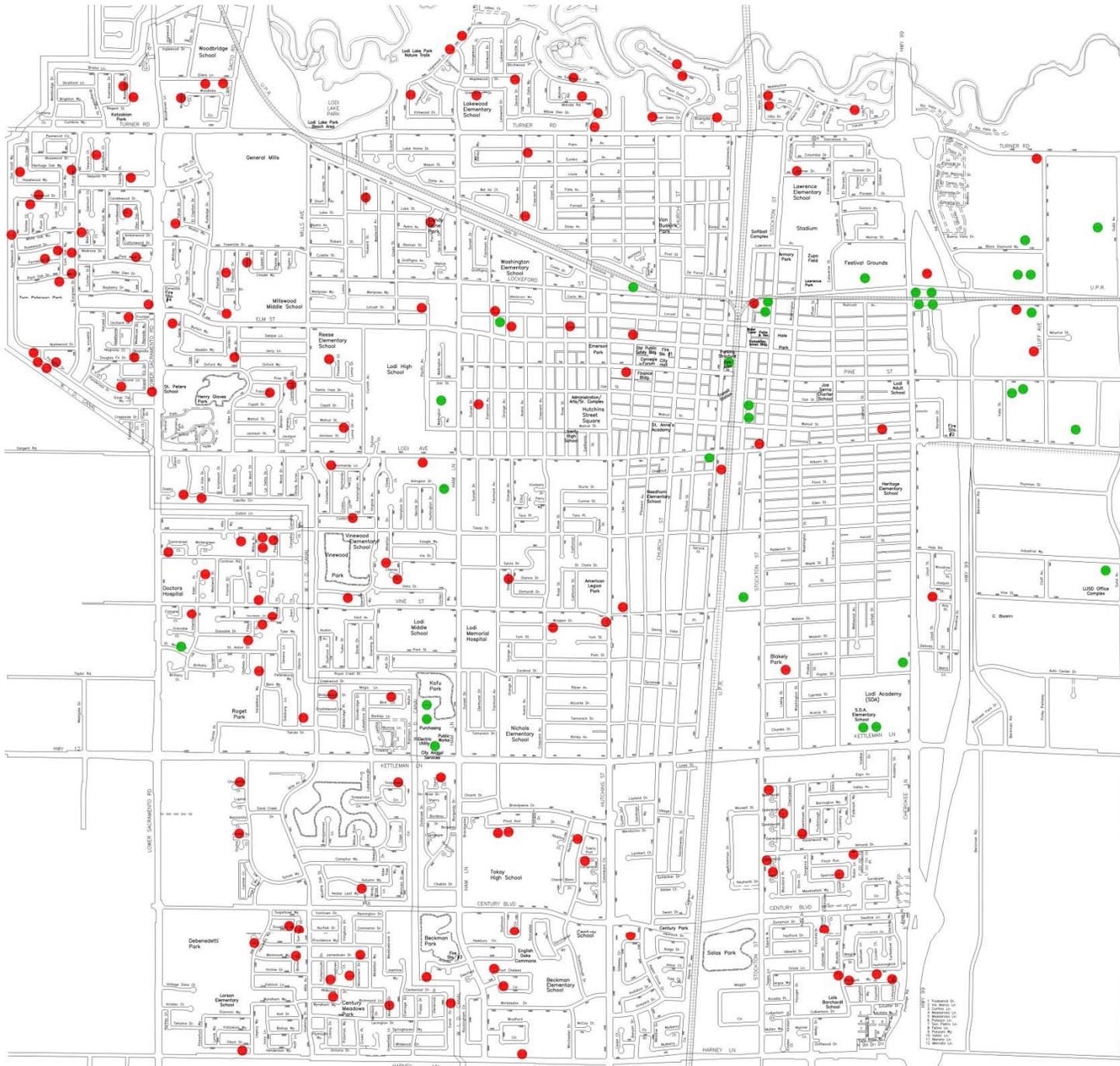
- Lodi's 180 solar customers receive NEM
- Annual true-up for excess energy generation
- Program caps
  - 5% of peak load or 2017, whichever comes first
  - Current subscription at one-third of cap



# Program Participation 2008 to 2013

- 150 residential
  - 7 installed prior to 2008
- 30 non-residential
  - 2 installed prior to 2008
- Smallest system - 0.7 kilowatts
- Largest system - 190 kilowatts
- Total installed capacity - 2.052 MW
- Annual generation ~3 million kWh
  - 384 homes; < 1% Lodi load





- Residential
- Non-residential



# Program Participation 2008 to 2013

- Solar marketers in Lodi
  - Initially dozens of firms
  - Tapered off dramatically in 2011
  - Currently less than 10 licensed solar contractors

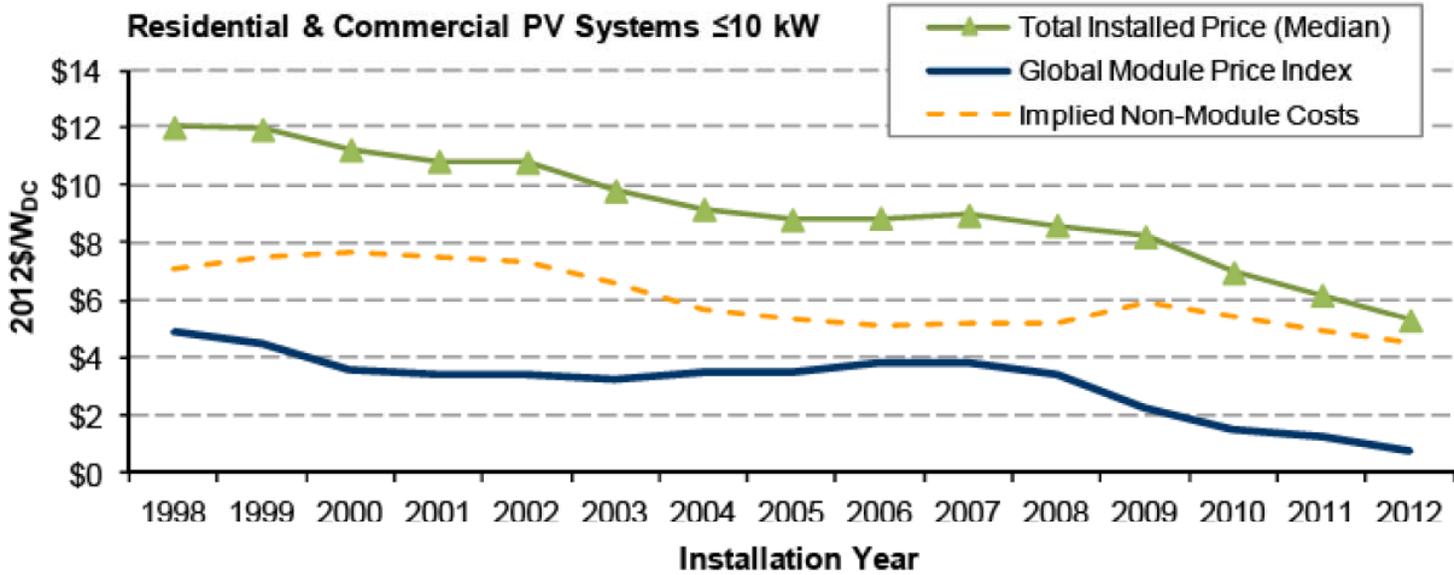


# Program Participation 2008 to 2013

- Actuals since 2008 (through 11/1/13)
  - \$3,118,785 rebates issued
  - \$2,722,139 solar surcharge revenue (\$0.00125/kWh)  
*(anticipated revenue: \$3,600,000)*
  - To be reviewed as part of upcoming utility rate study



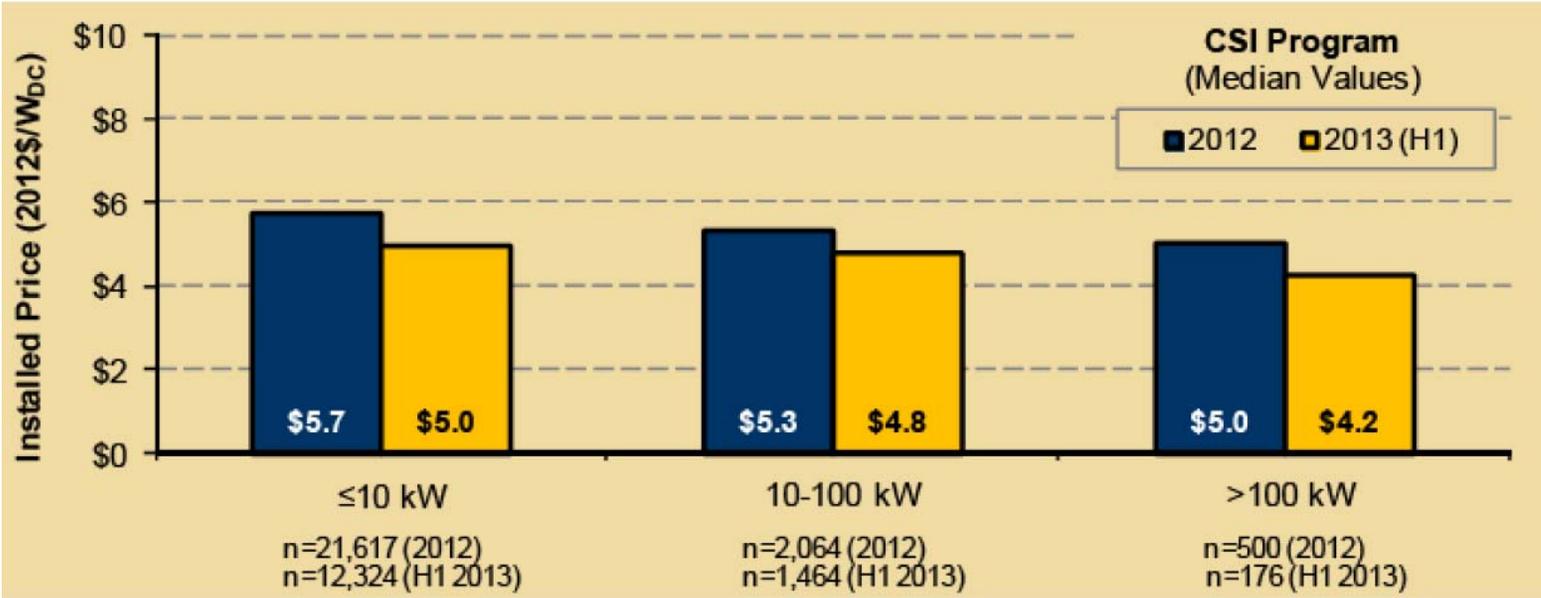
# Solar Costs



Source: CEC Renewable Energy – Tracking Progress



# Solar Costs



Source: CEC Renewable Energy – Tracking Progress



# Solar Program 2014 & Beyond

- \$450,000 available in rebates
- Rebate \$1.80/watt
- Capped at 50% of the project cost
  - \$7,000 for residential
  - \$40,000 for non-residential
- City will begin accepting rebate applications 1/1/14
- Rebates first-come, first-served basis
  - Lottery if oversubscribed



# Solar Program 2014 & Beyond

- Evaluate progress toward meeting \$6.1M funding requirement
  - Review options as part of upcoming rate study
- Assess ratepayer impacts of solar requirements
- Track pending & new solar legislative proposals



# Solar Program Update

For more information:

(209) 333-6815

[www.lodielectric.com](http://www.lodielectric.com)

