



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 1/18/2021

REQUESTER: Nathan Madenwald, P.E., Utilities Engineer

PRESENTER: Nathan Madenwald, P.E., Utilities Engineer

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2122-80: BY AND BETWEEN NORMAN UTILITIES AUTHORITY AND OKLAHOMA ELECTRIC COOPERATIVE FOR A DISTRIBUTION COOPERATIVE AGREEMENT FOR INTERCONNECTION OF DISTRIBUTED GENERATION AT THE WATER RECLAMATION FACILITY AT 3500 JENKINS AVENUE.

BACKGROUND:

The City of Norman and Norman Utilities Authority (NUA) entered into Contract K-2021-121 with Biostar E Light JV, LLC, on May 11, 2021, for the design, procurement, and installation of new solar arrays at the Water Reclamation Facility (WW0331) and the Water Treatment Plant (WA0370) to generate power for use at those facilities with excess electricity sold back to the utility. The total contract is \$4,775,000 and will generate an estimated, combined 2,270 kWdc of solar power at the facilities. The proposed contract utilizes the performance-based efficiency contract model to achieve electrical power cost savings at the Water Reclamation Facility and the Water Treatment Plant using solar power in furtherance of the 100% renewable energy goal.

The City adopted Resolutions R-1718-119 and R-1718-120 on May 22, 2018. The first resolution (R-1718-119) was brought forth adopting the Environmental Control Advisory Board's (ECAB) updated recommendations to implement the Mayors' Climate Agreement. One of the Mayors' Climate Agreement recommendations focused on increasing renewable energy throughout the city and its utility enterprises with a goal of reaching 100% renewable energy consumption by the year 2050. This goal seemed achievable in step with OG&E efforts to replace their electric generation efforts with renewable energy as their large facilities are updated and large existing machinery is retired.

The second resolution (R-1718-120) was brought forth by the Sierra Club's "Ready for 100". Their initiative is for the City and its utility enterprises to achieve 100% renewable energy by the year 2035. This initiative is more aggressive and, either way, the City of Norman is heading towards utilizing more renewable energy as we go into the future.

The Water Reclamation Facility will have five meters that will be supplied with energy generated from the solar array. One meter is served by OEC and the other four meters are served by

OG&E. The Water Treatment Plant will have two meters that will be supplied with energy generated from the solar array. Both meters are served by OG&E.

DISCUSSION:

In order to interconnect with the electrical distribution system, OEC requires that a Distribution Cooperative Agreement for Interconnection of Distributed Generation be approved. This agreement will be for the single meter served by OEC at the Water Reclamation Facility. The agreement will initially be two (2) years but will extend in perpetuity thereafter.

RECOMMENDATION:

Staff recommends the NUA approve Contract K-2122-80 with Oklahoma Electric Cooperative for the Distribution Cooperative Agreement for Interconnection of Distributed Generation at the Water Reclamation Facility at 3500 S Jenkins.