



## Legislation Text

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**File #:** 12391, **Version:** 1

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### **Fiscal Note**

The Agreement provides that MGE will pay a premium rate of \$0.25 per kWh to buy back electrical power generated by photovoltaic systems over the next ten years. (The regular buy back rate is \$0.10 per kWh.) The three sites impacted by the agreement are expected to generate the following annual revenues: Alicia Ashman Library, 8,700 kWh \* \$0.25 per kWh = \$2,175; Greentree Landfill, 8,364 kWh \* \$0.25 per kWh = \$2,091; and Demetral Landfill, 8,364 kWh \* \$0.25 per kWh = \$2,091.

The proposed indemnification language has been reviewed by the City's Risk Manager. The City's risk exposure is increased, but the exposure is covered by insurance, subject to the policy's terms and conditions.

### **Title**

Authorizing the Mayor and City Clerk to sign a Distributed Generation Interconnection Agreement with Madison Gas and Electric Company and authorizing indemnification of MG&E, for PVG sites at Alicia Ashman Library and Demetral and Greentree Landfills.

### **Body**

WHEREAS, the City has applied for participation in Madison Gas and Electric Company's (MGE) Clean Power Partners program, under which the City installs photovoltaic (solar) power equipment at various city sites and MGE buys back the PV-generated power at the rate of 25 ct/kWh instead of the regular rate of 10 ct/kWh; and

WHEREAS, MGE has accepted the City's application and a "Clean Power Partners Agreement" for a PVG installation at the Alicia Ashman library and the City has completed the installation; and

WHEREAS, the City has applied for two additional PVG installations which will be ready for connection soon, at the Demetral and Greentree Landfills; and

WHEREAS, the final step in the process for all three of these sites, prior to connecting the City's PVG equipment and participating in the program is for the City and MGE to sign a "Distributed Generation Interconnection Agreement" (PSC 6029) on a form mandated by the Public Service Commission (PSC), which among other things, requires mutual indemnification between the City and MGE; and

WHEREAS, APM 1-1 requires Common Council approval before the City indemnifies another party in a contract; and

WHEREAS, the Risk Manager and City Attorney recommend seeking a waiver of this provision from the PSC for future photovoltaic interconnection generation agreements as described in RES-08-00177 (ID #08778); and

WHEREAS, it is not known whether that effort would be successful and the City desires to connect the Alicia Ashman PVG site now and the Demetral and Greentree sites as soon as they are ready;

NOW, THEREFORE, BE IT RESOLVED that the Common Council authorizes the indemnification of Madison Gas and Electric Company as required in the "Distributed Generation Interconnection Agreement" (PSC 6029) in order to comply with PSC 119 for the Alicia Ashman, Demetral, and Greentree sites; and

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to sign the "Distributed Generation Interconnection Agreement" (PSC 6029) with Madison Gas and Electric Company for these three sites.