



**ALACHUA COUNTY
BOARD OF COUNTY COMMISSIONERS**

**Jack Durrance Auditorium, Room 209 2nd Floor 12 SE 1st Street
June 9, 2015 Regular BoCC Meeting
Agenda Item #23**

Title

Interconnection Agreement with Florida Power and Light to Connect a Solar Generation System to the FPL Service Grid (Amended)

Amount

\$0.00

Description

Request that the Board Agree to and Accept the Indemnification, and Execute the Interconnection Agreement with Florida Power and Light (FPL).

Recommendation

Agree to and Accept the Indemnification, and Execute the Interconnection Agreement with Florida Power and Light (FPL).

Alternative(s)

Do not approve the Interconnection Agreement and provide staff with direction.

Requested By

Charlie R. Jackson, Facilities Management Director, 374-5289

Originating Department

Facilities Management

Attachment(s) Description

Interconnection Agreement between Florida Power and Light and Alachua County

Documents Requiring Action

Recommend that the Board Agree to and Accept the Indemnification, and Execute the Interconnection Agreement with Florida Power & Light (FPL).

Executive Summary

The Commission recently accepted an opportunity to receive a rebate to assist with installing a

solar system on FRS #25. The County is installing a PV rooftop solar system at the Alachua County FRS #25 in Hawthorne and desires to connect to the Florida Power & Light electrical service grid. This Agreement with FPL requires the County to indemnify the Vendor for actions of the County, Vendor or third parties. Resolution 14-33 specifies that the County shall not indemnify contracted parties without specific approval by the Alachua County Board of County Commissioners. The Board must waive this policy, and find that obtaining the good or service at the offered terms is in the best interest of the County .

Background

In early 2000s, the Alachua County Board of County Commissioners adopted an Energy Reduction and Water Conservation program. Since that time Alachua County has implemented a host of energy conservation measures (ECMs) resulting in remarkable reductions in both energy and water use. These projects includes installing major mechanical equipment replacements and retrofits, weatherization of County buildings, powering down energy use by installing power line controls enabling staff to shut off all non-essential electrical devices, lighting upgrades by replacing over 32,000 T12 with T8 light bulbs and an ICON water reduction system at the County jail saving millions of gallons of water annually. In the mid to late 2000s, the County installed over 10 solar projects including nine on rooftops and one on the ground. As utility cost continued to rise, the cost to install solar systems declined making the use of solar systems more affordable. On December 2, 2008, the Energy Conservation Strategies Commission (ECSC) recommended to the Board in the 2008 ECSC report for the County to assess the feasibility of using solar into the Building Integrated PV (BIPV) for existing and future County-owned buildings. In 2014, Alachua County Commission approved of a project in the Capital Improvement Program (CIP) to assess the roofs of County buildings and report back to the Board with a list of buildings that would be good candidates for solar use. Also in 2014, the County hired Energy Conservation Services (ECS) to analyze 28 County buildings and determine the suitability of each site based on roof condition, orientation, age, type of roof, structural considerations, wind loading, and consideration for solar use with potential funding options. While completing the assessment, ECS and County staff were made aware of rebate opportunities with Florida Power and Light (FPL) and Duke Power. In January 2015, Alachua County was selected by Florida Power and Light to install a solar PV system at FRS #25 in Hawthorne. In March 2015, the County accepted a rebate from Florida Power and Light in the amount of \$40,640.00 for the installation of a roof mounted solar PV system at the Hawthorne FS. The total installed system cost is \$56,786.00. County staff expedited the rebate process and submitted all of the required paperwork except the interconnection agreement. A requirement of the rebate calls for the system to be interconnected with the FPL electrical service grid and in doing so, requires the County to negotiate an interconnection agreement between Alachua County and Florida Power and Light. (FPL). In May 2015, the County Attorney's Office and Contracting Office reviewed the language on item number eight relating to indemnity in the interconnection agreement, and submitted a proposed revision to FPL asking for FPL to indemnify the County. FPL received the County's request to change the indemnification language. FPL responded to the County's request and stated that language change would require approval by the Florida Utility Commission. FPL felt that the request to change the language based on prior requests would most likely be disapproved. Therefore, FPL refused to remove the indemnification requirement from the contract. The goods and services are available from other vendors; however, this vendor was selected using a competitive selection process that offers

favorable pricing. This service is necessary for continued County operations. Risk Management states that the likelihood of a claim is low. At that time, the deadline to complete the rebate requirement was on May 16, 2015. In order for the County to remain qualified for the rebate, the County requested an extension that would allow staff time to obtain the Board's approval regarding the indemnification language in the interconnection agreement. On May 15, 2015, FPL granted a 30-day extension requiring the County to resolve the interconnection agreement issue by June 15, 2015. See attached email from Mr. Gus Dominquez. Staff is requesting the Board to accept the indemnification language and sign the interconnection agreement with FPL so that the County can meet the June 15, 2015 deadline.

Issues

If this agreement is denied, the County would not be able to receive the solar rebate with FPL. Not receiving the rebate would result in the County losing the \$40,640.00 rebate option for solar on the rooftop at Fire Station #25 in Hawthorne, Florida. The existing extension to complete the rebate requirements is June 15, 2015. A second extension might not be granted.

Fiscal Recommendation

Recommend that the Board Agree to and Accept the Indemnification, and Execute the Interconnection Agreement with Florida Power & Light (FPL)

Fiscal Alternative(s)

None

Funding Sources

Utility Reinvestment Fund

Account Code(s)

210-5409-522.62-10