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**PARKS, RECREATION & FACILITIES  
MANAGEMENT**

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TO: Finance Committee

FROM: Dean R. Gazza

DATE: 3/7/2022

RE: Action: Request approval to participate in the Solar Now Program at the Library, Municipal Services Building and Valley Transit.

WE Energies has invited the City of Appleton to participate in their new Solar Now program. The Solar Now program is a "pilot" program with limited capacity for participation. The program was developed to provide a win-win for WE Energies and their participating customers. Solar Now invites customers to host solar panels with no upfront or ongoing costs.

The program pays for the entire cost of engineering and installation of a solar array. In addition, the City would receive monthly payments and have no responsibility for maintenance of the system, essentially removing risk if the system does not perform to design. The typical lease is 20 years.

How is this different than owning our own system and not participating in this program?

- When the solar panels create energy, that energy is utilized by the building when there is demand, but pushed back to the utility when more power is being created than being used, which happens generally during non-business times. When participating in Solar Now, all the energy is transferred to the utility of which we are a user.
- In addition, the city maintains ownership of the renewable energy certificates (REC's). REC's allow organizations to reduce the environmental impact and at the same time encourages the development of new renewable energy projects. In addition, maintaining ownership of the REC's recognizes the facility as sustainable and is eligible towards LEED Certification.
- Last, the city is paid an annual lease payment which is approximately 50% of the renewable energy cost. This revenue assists organizations to lower their operational costs. In addition, because there is no capital cost to the organization, that funding can be used for other projects. For the Municipal Services Building which has been previously funded, WE Energies would reimburse us the total cost of this installation, basically paying for our borrowing on that project.

This memo requests participation at three locations. This was based on WE Energies reserving one megawatt for the City of Appleton. The solar arrays at these three project combined would produce just under 1 megawatt of electricity. Because the Library and Valley Transit are currently in design, we are at

a stage where this program would fit well. The program also relieves the project from having to fund the solar arrays. Because the Municipal Services Building installation is brand-new, WE Energies will also include this facility in the program. Only facilities that are new, are structurally fit and have newer roofs are candidates for this program.

Overall, this is a mutually beneficial program and we request your approval to transfer ownership of the Municipal Services Building installation and to grant approval to enroll the Library and Valley Transit into this program.

Please contact me at 832-5572 or at [dean.gazza@appleton.org](mailto:dean.gazza@appleton.org) with any questions.