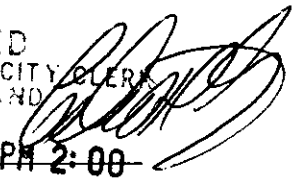


OAKLAND CITY COUNCIL
RESOLUTION No. 78785

FILED
OFFICE OF THE CITY CLERK
C.M.S. OAKLAND



INTRODUCED BY COUNCILMEMBER _____

2004 JUL -1 PM 2:00

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO
ACCEPT AND APPROPRIATE APPROXIMATELY \$3,839,258 IN
REBATES FROM PACIFIC GAS AND ELECTRIC COMPANY FOR
IMPLEMENTING A ONE MEGAWATT SOLAR POWER AND ENERGY
EFFICIENCY PROJECT**

Whereas, Mayor Brown and other Oakland leaders are encouraging development of solar power as part of Oakland's evolution toward sustainable living; and the California legislature, the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC) are also supporting solar power development by funding major rebate programs that pay for up to 50% of project implementation costs, including the Pacific Gas and Electric (PG&E) Self-Generation Program; and

Whereas, promoting solar power now is a step toward lowering electricity prices in the future for all members of the Oakland community, including residents and businesses. Building solar power projects and improving energy efficiency throughout Oakland is one way to create an economic advantage for Oakland that can improve our standard of living; and

Whereas, this project will make progress in the City's efforts toward sustainability by encouraging also development of less expensive solar power products and methods for future projects throughout the country; and

Whereas, three other resolutions, one for appropriation, allocation of project financing, a second for appropriation, allocation, design and construction, and a third for Oakland Redevelopment Agency actions, are being proposed simultaneously to facilitate implementation of the project described herein; and

Whereas, at the Mayor's direction, the Public Works Agency sought proposals from solar power companies for designing and constructing cost-effective solar powered electricity generation systems on municipal facilities; and

Whereas, City staff negotiated with PowerLight to create a turnkey agreement to acquire 998.9 Kilowatts (kW) of electrical power production on the rooftops of the MSC and OIC, along with cost-effective energy efficiency improvements at the OIC; and

Whereas, the City of Oakland received conditional rebate reservations from PG&E's Self-Generation Incentive Program totaling 998.9 kW with an estimated value of \$3,839,258 and a final amount that will equal 50% of the City's costs that are eligible for the program; and

Whereas, a total of \$7,759,500 is expected to cover all costs of implementation including project development, project management & oversight, contract compliance and employment services, staff costs for financing, loan-related fees and expenses, construction, financing interest during construction; and

Whereas, over a 25-year period, the solar power system and energy efficiency improvements will yield an estimated net economic benefit of \$261,968 in today's dollars (based upon a 4.54% loan interest rate, the solar panel manufacturer's 25-year warranty, including contingency, staff costs, estimated maintenance costs and projected utility rates derived from state and federal forecast; now, therefore, be it

Resolved: That the City Administrator is directed and authorized to implement solar power projects at the MSC and the OIC, and 37 Kilowatts (kW) of energy efficiency at the OIC by accepting and appropriating up to \$3,839,258 in rebates from PG&E as follows:


1. \$1,030,267 to pay off the construction-financing loan, and
2. \$1,728,655 to fully reimburse the General Energy Efficiency Loan Project. These funds will subsequently be available for energy efficiency projects financed by loans from the California Energy Commission, and
3. \$662,639 from the Williams Settlement (Self Insurance Liability Fund – 1100, Project C256510), and
4. \$416,488 to cover staff time and cost of project development.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 20 2004, 20

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN AND
PRESIDENT DE LA FUENTE — 8

NOES- 0
ABSENT- 0
ABSTENTION- 0

ATTEST. 
CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California