



## MEMORANDUM

TO: Mayor Diane Wolfe Marlin and Members of City Council
FROM: Scott R. Tess, Sustainability & Resilience Officer
DATE: September 3, 2019
RE: Landfill Solar Development

Action Requested

None.

## **Background and Facts**

The City completed a qualifications based selection for a landfill solar developer at the end of 2017 to pursue the development of a solar array on the City's closed landfill. The City selected Sunpower, a global solar energy manufacturer and installer. The City entered into a lease option with Sunpower on December 17, 2018 allowing Sunpower to apply for State of Illinois solar incentives in 2019. The lease option gives Sunpower the exclusive right to develop one or more solar arrays on 41 acres of Urbana landfill property for two years.

On August 22, 2019 the City/Sunpower project was selected for a Low Income Community Solar incentive by the Illinois Power Agency's Solar For All program. This incentive makes a landfill solar development commercially viable at the City's closed landfill. Sunpower will now make all preparations required of approved vendors in the Solar For All program. Additionally, the City will convert the lease option into a long term lease pursuant to the terms of the lease option.

Electricity purchasers, also called subscribers, can buy or lease a share of a community solar system; this share is typically measured by units of solar panels or electricity purchased from the community solar system. Participants are credited on their utility bill for the energy produced by their share of the system.

Residential households, whether property owners or renters, can qualify for this program as a subscriber if they meet the income requirement of 80% or less Area Median Income. Residents can check to see if they are income-qualified for the Low-Income Community Solar program at <u>https://www.illinoissfa.com/</u>. Qualified participants who subscribe to a Low-income Community Solar project do not incur upfront costs, and any ongoing costs and fees will not exceed 50% of the value of the energy produced.

## Financial Impact

None at this time. The City will negotiate a lease rate with Sunpower to use the City-owned landfill. Additionally, the City will act as an anchor tenant to the project by negotiating the purchase of a share of electricity from solar array.

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