



FARMERS
BRANCH

Solar Feasibility Update

Electricity Pricing: Overview

- 2 main components
 - Energy production – cost of the power plant(s) to produce electricity
 - TDSP – fees associated with servicing and delivering power to the meter from the generation source; covers cost of maintaining poles, wires, meters, and other transmission infrastructure.

Transportation Distribution Service Provider Pricing

- TDSP pricing is based on how you use electricity, not how much electricity you use
 - Based on peak demand, not total consumption
 - Peak demand - maximum electricity that you use at a given point in time
 - Consumption – quantity of energy you use over time
- Two facilities in the same zone can consume the same amount of electricity over a year, but have very different TDSP charges
 - Slow, consistent usage – lower TDSP
 - Inconsistent and surge usage – higher TDSP

Why does this matter when considering solar?

- Solar projects produce electricity throughout the day (weather dependent)
- Most if not all City facilities peak demand is during daylight hours
- Solar should reduce the peak demand for City facilities, thus reducing TDSP charges
- Solar reduces the annual amount of electricity the City needs to purchase for City operations
- Are these reductions sufficient to cover the cost of capital outlay to install the infrastructure?
 - That is the basis of a feasibility study

Request for Qualifications

- Staff developed and distributed a request for qualifications
- Received 3 submittals
- All 3 firms/teams have been interviewed
- A firm has been selected: Shor Power and Sea Oak Capital
- Scope of service and pricing is being negotiated

Goals of Feasibility Study

- Assess which buildings are good candidates for solar projects
 - Assess size, age and composition of the roof, and potential obstructions
- Assess city landfills for potential ground mount solar energy projects
 - Two different service providers: ONCOR and Coserv
- Estimate costs of site specific projects
- Calculate payback period(s)
- Estimate potential savings, if any, to the City

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Discussion & Questions?