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Palo Alto approves feed-in tariff program



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The Palo Alto, Calif., City Council approved implementation of a new initiative to encourage generation of renewable electricity within the city limits. The Palo Alto CLEAN (Clean Local Energy Accessible Now), program authorizes the city's electric utility to purchase renewable energy from generation systems located in Palo Alto under a feed-in tariff. The utility will begin accepting applications for these power contracts on April 2.

In its first year, the city's goal is to contract for up to 4 MW of solar energy delivered by systems located on local large commercial rooftops in Palo Alto, with a minimum project size of 100 kW during the first year. The city will pay purchase prices of 14.003 cents per kWh under a 20-year contract; 13.216 cents/kWh under a 15-year contract; and 12.360 cents/kWh under a 10-year contract. A reservation deposit of \$20 per kilowatt of the proposed system is required, but will be returned in full if the system is completed within one year.

The city plans to expand the program to include smaller sites and a wider range of energy-generating technologies in the future. "We are aiming for this program to generate over 6,000 megawatt-hours of renewable energy every year, enough to power 1,000 homes," said Director of Utilities Valerie Fong. "The Palo Alto CLEAN program is another milestone in Palo Alto's long history of promoting renewable energy use in economically smart ways," City Manager James Keene said.

"Palo Alto CLEAN is an important step toward greater energy self-reliance since these renewable resources will be located within the city itself," said Palo Alto City Council Member Pat Burt. "We will avoid costly transmission charges and reduce wasted energy losses from remote transmission. Most of all, this program helps show that cities can have clean energy, low rates and a strong economy, all at the same time."

Palo Alto said it is on track to exceed its goal of 33% renewables by 2015, with renewables representing over 20% of total energy consumption for fiscal 2011. Further, the city "expects to be using at least 80% carbon-free electricity supplies by 2020 and discussions are under way to increase that percentage."

More details on Palo Alto CLEAN are available on the utility's [website](#).



1875 Connecticut Ave., NW
Suite 1200
Washington, DC 20009-5715

Voice : 202/467-2900

Fax : 202/467-2910
www.PublicPower.org

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