



Legislation Details (With Text)

File #: 20-0972 **Version:** 1

Type: Resolution **Status:** Adopted

File created: 9/14/2020 **In control:** Business, Arts, Workforce, Climate & Aviation Services Committee

On agenda: 10/5/2020 **Final action:** 10/5/2020

Title: A resolution approving a proposed First Amendment between the City and County of Denver and Oak Leaf Solar XVIII, LLC concerning the purchase of electricity from a solar array at Denver International Airport.
Amends an agreement with Oak Leaf Solar XVIII, LLC by reducing the rate by \$650,794.33 for a new total of \$26,390,460.29 and adding clarifying termination language as required for Oak Leaf Solar XVIII LLC to obtain financing for the project for the purchase of electricity from a solar array at Denver International Airport. No change to agreement duration (PLANE-202055785-01). The last regularly scheduled Council meeting within the 30-day review period is on 10-26-20. The Committee approved filing this item at its meeting on 9-23-20.

Sponsors:

Indexes: John Mahoney

Code sections:

Attachments: 1. RR20 0972 DIA Solar VII PPA, 2. 20-0972 Filed Resolution_Oak Leaf Solar XVIII, 3. 20-0972 Contract_Oak Leaf Solar XVIII, 4. 20-0972 Filed Resolution_Oak Leaf Solar XVIII, 5. 20-0972 - signed

| Date | Ver. | Action By | Action | Result |
|-----------|------|--|---------------------|--------|
| 10/5/2020 | 1 | Council President | signed | |
| 10/5/2020 | 1 | City Council | adopted | Pass |
| 9/23/2020 | 1 | Business, Arts, Workforce, Climate & Aviation Services Committee | approved by consent | |

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 9-14-20

Requesting Agency: Denver International Airport
Division:

Subject Matter Expert Name:

| | |
|--------|-----------------------------|
| Name: | Angela Casias |
| Email: | Angela.Casias@flydenver.com |

Item Title & Description:

(Do not delete the following instructions)
*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any*

time delete the red "title" or "body" markers from this template.

A resolution approving a proposed First Amendment between the City and County of Denver and Oak Leaf Solar XVIII, LLC concerning the purchase of electricity from a solar array at Denver International Airport.

Amends an agreement with Oak Leaf Solar XVIII, LLC by reducing the rate by \$650,794.33 for a new total of \$26,390,460.29 and adding clarifying termination language as required for Oak Leaf Solar XVIII LLC to obtain financing for the project for the purchase of electricity from a solar array at Denver International Airport. No change to agreement duration (PLANE-202055785-01). The last regularly scheduled Council meeting within the 30-day review period is on 10-26-20. The Committee approved filing this item at its meeting on 9-23-20.

Affected Council District(s) or citywide? Council District 11

Contract Control Number: PLANE-202055785-01

Vendor/Contractor Name (including any "DBA"): Oak Leaf Solar XVIII LLC

Type and Scope of services to be performed:

This request is for a 1st amendment to the Power Purchase Agreement (PPA) with Oak Leaf Solar XVIII LLC (Oak Leaf) to lower the rate Denver International Airport (DEN) will pay to Oak Leaf for electricity purchased from the Solar VII array. This lower rate being offered is consideration for amending the lease and license agreement adding in clarifying language in the event that DEN elects to permanently revoke the access license. This amendment will reduce the rate from 95% of Xcel's avoided energy rate to 93% and reduce the maximum price from \$0.06 per kilowatt-hour (kWh) to \$0.0575, resulting in approximately \$650K in additional savings over the 25-year term.

DEN will subscribe to Solar VII at a per kilowatt-hour cost that is less than the per kilowatt-hour cost currently paid to Xcel Energy, resulting in immediate savings of \$63K in year one. Based on a 2.5% annual inflation rate, DEN would now realize a benefit of approximately \$2.2 million over the 25-year term.

The solar array is expected to generate over 571 million kWh of renewable electricity, nearly doubling the amount of solar interconnected to DEN's electric grid and avoiding over 514,000 tons of CO2 over its project life.

Location (if applicable):

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment?

Was this contractor selected by competitive process or sole source?

For New contracts

Term of initial contract:

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term:

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

\$27,041,254.62

What is the value of the proposed change?

(\$650,794.33)

What is the new/revised total value including change?

\$26,390,460.29

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)