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AGENCY NAME & ADDRESS	Department of General Services 200 N. Holliday Street, Rm 800
SUBJECT	City Council Bill 22-0106R

CITY OF  
BALTIMORE  
**MEMO**



DATE:

June 16, 2022

**TO** The Honorable President and Members of the City Council  
City Hall, Room 400, 100 North Holliday Street

**Position: Favorable**

The Department of General Services (DGS) is in receipt of and reporting herein on City Council Bill 22-0106R: Investigational Hearing – Solar Farming.

**Background/Explanation**

The purpose of this bill is to brief the Council on commercial and residential solar farming and to discuss and assess how solar farming can benefit Baltimore City residents.

**Comments and Considerations**

DGS recognizes the important role that solar energy technology can play in reducing carbon emissions and other air pollutants, providing a reliable and low cost of energy, supporting local jobs, and contributing to local resiliency. The Energy function within DGS' Division of Capital Projects and Energy is responsible for energy purchasing, utility account management, designing and developing energy efficiency and renewable energy projects, and managing energy performance contracts. Below is a list of existing and in-progress solar energy projects and contracts, summarized by this function:

**Existing Solar Projects and Contracts**

- 1 MW Solar Photovoltaic Plant at Back River Wastewater Treatment plant that generates approximately 1.2 million kWh a year
- 10 MW Solar Photovoltaic Power Purchase Agreement based in Perryville, MD that generates 12 million kWh a year

These projects reduced energy costs for the City and supported local development of solar. However, the City does not retain the Renewable Energy Credits<sup>1</sup> associated with this production, and cannot claim this generation towards its renewable energy goals.

**Solar Projects and Contracts in Development**

- DGS and DPW are collaborating to develop an 875kW solar photovoltaic project at Montebello Water Filtration Plant, funded by the Maryland Department of the Environment.
- DGS is working with the Baltimore Regional Cooperative Purchasing Committee (BRCPC) Energy Board to develop a Power Purchase Agreement that will supply up to 15% of the BRCPC members' electricity use.

<sup>1</sup> Renewable Energy Credits (RECs) are tradeable instruments that represent the environmental attributes of 1 megawatt-hour of renewable energy generation.

### *Identifying New Opportunities*

In May 2022, the Maryland Energy Administration (MEA) awarded DGS with a technical assistance grant to assess up to 25 City properties for rooftop solar. DGS is working with MEA on the economic potential and the technical capability based on roof condition, size, orientation, and operating characteristics.

DGS has also engaged with DPW on the technical and economic potential of solar generation at the Monument Landfill.

### *Challenges for City Buildings*

When considering solar for City buildings, DGS identifies the following considerations:

- Roof orientation, size, shading, and existing rooftop equipment
- Roof condition (e.g. structural, age, replacement date)
- Plans to sell or transfer the site within the life of the solar equipment (20 years)
- Financial analysis

Roof condition and the relatively low cost of electricity are major barriers for solar photovoltaic for City buildings. Specifying roof replacements to be solar ready is costlier in terms of capital investment, and the associated financial benefit is realized over time in the operating budget. While the State offers incentives for solar installation for public facilities, this does not cover the capital improvements needed for the site.

### **Conclusion**

The Department of General Services requests a **favorable** report for City Council Bill 22-0106R and looks forward to discussing further with the Economic and Community Development Committee.

If you have any questions, please do not hesitate to contact DGS' Legislative Liaison Annie Fullas at [annie.fullas@baltimorecity.gov](mailto:annie.fullas@baltimorecity.gov) or at 667-208-0380.

Sincerely,

*Berke Attila*

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Director, DGS