Purchase Power Agreement Review-

The Purchase Power Agreements (PPA) proposals are being reviewed by City of Columbia Utilities staff. The initial review consists of two different evaluations, a Method of Performance Evaluation Rubric and a PPA Cost Evaluation. Below are the first drafts of the Method of Performance Rubric and PPA Cost Evaluation. Estimations are not finalized and are subject to change. For the Method of Performance Rubric, we are looking at best possible ways to objectively compare each proposal to allow us find the best option for the city.

This rubric is designed to help provide an evaluation of proposed renewable purchase power agreements for considerations beyond the cost of energy and capacity. Initial thoughts drive us to break the rubric into 4 sections, with a preference being given to resources that will provide power sooner, are larger in size, are located in MISO Zone 5, are existing renewable resources, or is a planned resource which is further along in the interconnection queue.

The PPA Cost Evaluation looks at the estimated total cost for the energy and capacity from the system, along with the estimated differences in LMP costs, on a MISO seasonal basis. The total estimated costs can then be calculated for the first year and lifetime of the contract. These costs can be reviewed further compared to the costs from other energy sources for the utility.

At this time there are three potential purchase power agreements in the initial review stage.

- Option A: A proposed solar system located in MISO Zone 5.
- Option B: A proposed solar system interconnected directly with CWL.
- Option C: A proposed solar system located in MISO Zone 5.

Method of Performance Evaluation Rubric:

Section I- Proposed Resource
This section is based on the size of the system, how soon the power would be available to the utility, and if there are utility options to renew the contract. Preference would be given to systems that provide more power and to systems that have power available to the utility sooner.

Section II- Location Preferences
This section is based on where the system is located, interconnected, and if the system includes a battery system. Preference would be given to systems that are directly interconnected with the utility, located in MISO Zone 5, and have batteries as a part of the system.

Section III- Existing Resource
This section is based on whether the resource is already in existence and producing power. Preference would be given to renewable resources that have a higher future anticipated capacity value. Section III would be a mutually exclusive evaluation from Section IV.

Section IV- Planned Resource Queue
This section is based on the resource not producing power before a PPA is in place. Preference would be given to resource types that have a higher future anticipated capacity value, systems that are further through the interconnection process, and vendors who have a company history of performance. Section IV would be a mutually exclusive evaluation from Section III.

Method of Performance Summary
Initial comparison of all three options through the draft of the Method of Performance Evaluation Rubric, Option B appears to come out ahead as the most well-rounded beneficial option.

PPA Cost Evaluation:

The PPA Cost Evaluation is ongoing.