



Agenda Date: 1/12/2022

Agenda Placement: 7G

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Timothy Healy - General Manager
NS-Technical Services/Engineer

REPORT BY: Andrew Damron, Technical Services Director - 707-258-6000

SUBJECT: Approve Amendment 2 to Task Order 2 with Recolte Energy

RECOMMENDATION

Authorize the Purchasing Agent to execute Amendment 2 to Task Order 2 with Recolte Energy to provide consulting services for energy generation projects.

EXECUTIVE SUMMARY

Recolte Energy continues to provide consulting services for NapaSan on the linear generator project. Task Order 2 was signed in 2017 in the amount of \$75,000 for Recolte to evaluate integration of a potential second land-based photovoltaic (PV) electricity generation system and potentially other electric generation systems such as fuel cell, cogeneration, and others.

Amendment 1, for no additional compensation, was signed in 2019 and was necessary to redefine additional services for a linear generator project.

Amendment 2, in the amount of \$75,000, is needed now that the project is further defined. Of the total in the amendment, \$15,000 would be payable immediately for work already performed by Recolte, \$30,000 would be payable after completion of construction of the linear generator project, and \$30,000 would be payable after completion of the interconnection agreement with PG&E.

The total amount of the original task order plus amendments would be \$150,000.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	The budget for this project is not specifically identified in the operating budget for FY 2021/22; however, there is sufficient budget for miscellaneous (unanticipated) consulting fees that have been approved in the current year's budget.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	A contract amendment is needed to extend the contract for Recolte Energy for continuation of consulting services.
Is the general fund affected?	Yes
Future fiscal impact:	Unused budget from this fiscal year will be continued into next fiscal year.
Consequences if not approved:	Recolte Energy would not have enough funding to provide additional consulting services. NapaSan staff would need to perform this analysis and coordination and it would impact staff's ability to complete other scheduled work.
Additional Information:	None.

ENVIRONMENTAL IMPACT

None.

BACKGROUND AND DISCUSSION

In April 2014, NapaSan's energy consultant, Recolte Energy, proposed a combination of solar photovoltaic (PV), stationary storage, and fuel cell systems to reduce NapaSan's electricity bills. This recommendation led to the installations, in March 2016, of a 1 MW / 2 MWh Tesla stationary storage system owned and operated by NextEra, and, in March 2017, a 1 MW SunPower PV system. A fuel cell system was supposed to be next, but NapaSan's post-PV load profile combined with Bloom Energy's minimum project size of 500 kW ruled it out.

In early 2019, Recolte initiated discussions with NextEra about a promising new technology called a linear magnetic generator (LMG). It was developed by Mainspring and partially funded by NextEra's venture capitalist arm.

The LMG uses a low temperature combustion process to produce electricity. It is fuel agnostic, produces minimal emissions, and, unlike fuel cells, is load following. LMG units are modular and start at 240 kW. These attributes and NextEra's willingness to provide NapaSan a Power Purchase Agreement (PPA) made the LMG worth evaluating.

Recolte has been working with NextEra, NapaSan, PG&E, and Hazen and Sawyer – NapaSan's Wastewater Treatment Plant Master Plan consultant – to establish the LMG's technical and economic viability. Its economic viability is enabled by Self-Generation Incentive Program (SGIP) rebates, for which the LMG would be eligible (as a renewable electricity generator) only if it were fueled exclusively by NapaSan's digester gas. The LMG is expected to qualify for additional SGIP rebates because NapaSan is a critical facility and located in an area that has been

subject to multiple Public Safety Power Shutoff events.

SUPPORTING DOCUMENTS

A . Amendment 2 - Task Order 2

Napa Sanitation District: Approve

Reviewed By: Timothy Healy