

**STAFF REPORT**  
**Lancaster Power Authority**

PA NB 1
06/28/11
MVB

Date: June 28, 2011

To: Chairman Parris and Power Authority Members

From: Robert C. Neal, Director of Public Works

Subject: **Amended and Restated Memorandum of Understanding with US Topco Energy, Inc.**

---

**Recommendation:**

Approve and authorize the Executive Director to execute an Amended and Restated Memorandum of Understanding (MOU) with US Topco Energy, Inc. for the development of solar generating facilities.

**Fiscal Impact:**

This MOU will not commit the City to any current or future expense. It will, however, commit City staff time in an effort to establish this partnership. It is anticipated that any future direct relationship with US Topco Energy, Inc. will be in an effort to generate revenue to the Lancaster Power Authority (LPA).

**Background:**

On April 12, 2011, the City Council approved the original MOU between the City of Lancaster and US Topco Energy, Inc. The original MOU committed the City to working with US Topco Energy to investigate opportunities to develop one or more photovoltaic solar power plant(s) capable of generating at least 50-megawatts of electrical power.

Mayor Parris and City staff have been working closely with US Topco Energy, Inc. to develop an energy partnership that will allow for the further development and construction of solar facilities. The partnership consists of the LPA working with US Topco Energy, Inc. to develop solar projects with the intent to sell the power on a wholesale basis to other utilities.

This Amended and Restated Memorandum of Understanding expands on the possibility of other projects and programs such as a community PACE program, which would allow residents within the City to purchase solar systems for their homes and finance the purchase of such system through a special assessment district. This amended and restated MOU also increases the size of the partnership between the LPA and US Topco Energy from 50-megawatts to a total aggregate of up to 200-megawatts of electrical power. Any future agreements or projects between the LPA and US Topco Energy, Inc. will be presented to the Council for consideration.

HS:vp

**Attachment:**

Amended and Restated Memorandum of Understanding (available for review in the City Clerk Department)