




TO: Mayor Linda Gorton
Urban County Council

FROM: 
Jennifer M. Carey, P.E., Director
Division of Environmental Services

DATE: October 27, 2021

SUBJECT: Kentucky Utilities Solar Share Program

Request

The purpose of this memorandum is to request approval to participate in the Kentucky Utilities (KU) Solar Share Program with the purchase of 20 solar shares at a cost of \$799.00/share, with each share representing a share of solar capacity in LGE-KU's solar farm, for a term of 25 years, for a total of \$15,980.00 using Energy Improvement Funds.

Why are you requesting?

Subscribers to the program share the energy produced from LGE-KU's solar farm in Simpsonville, Kentucky. Solar shares do not create or imply any ownership interest in the farm or investment interest – the term “share” refers to the sharing of solar capacity. Each share acts like a virtual electric meter, potentially offsetting electricity at the subscriber's actual meter or generating a credit if the share's output exceeds actual use. LFUCG is able to take advantage of the program by (1) having a diverse portfolio of accounts from which to match a specific facility with the appropriate number of shares, and (2) being able to make a long term commitment. Fire Station #2 is an ideal candidate because it is on the General Service rate and historical data indicates use consistently above 9 KW.

What is the cost in this budget year and future budget years?

The cost for FY22 is \$15,980.00. Additional solar shares for LFUCG's purchase are possible and may be recommended in future budget years, but (1) we want to confirm our analysis as a subscriber, and (2) KU may end the program once the solar farm is fully subscribed. The Simpsonville facility is currently 80% subscribed. When complete, the farm will have 4 MW of solar capacity, representing approximately 16,000 shares.



Are the funds budgeted?

\$15,980.00 is available in 1105-313201-3099-71299 2019 EIF_PROJ EIF.

File Number: 1142-21

Director / Commissioner: Carey / Albright

