



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2020-634, **Version:** 1

A resolution approving Tranche Amendment 1 between the Tennessee Valley Authority, Nashville Electric Service, and the Metropolitan Government of Nashville and Davidson County for the purchase of renewable energy.

WHEREAS, Resolution RS2020-441 approved a “Green Invest Agreement” between the Tennessee Valley Authority (“TVA”), Nashville Electric Service (“NES”), and the Metropolitan Government of Nashville and Davidson County (“Metro”) for the potential purchase of renewable energy; and,

WHEREAS, Metro desires to enter Tranche Amendment 1 to purchase renewable energy from NES and TVA, attached hereto and incorporated herein; and,

WHEREAS, pursuant to Tranche Amendment 1, the price per Renewable Energy Certificate or REC is \$1.25; and,

WHEREAS, it is to the benefit of the citizens of The Metropolitan Government of Nashville and Davidson County that Tranche Amendment 1 be approved for Metro to pursue timely compliance with its near and long-term Renewable Portfolio Standard benchmarks laid out in the Metropolitan Code of Law Section 2.32.080.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That Tranche Amendment 1, attached hereto and incorporated herein, is hereby approved, and the Director of the Metropolitan Department of Finance is authorized to execute the same.

Section 2. Any further amendments, renewals, or extension of the terms of Tranche Amendment 1 may be approved by resolution of the Metropolitan Council.

Section 3. That this resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

Analysis

This resolution approves the first Tranche Amendment between the Tennessee Valley Authority (TVA), Nashville Electric Service (NES), and the Metropolitan Government for the purchase of renewable energy. Resolution No. RS2020-441 approved the “Green Invest Agreement” between TVA, NES, and Metro for the potential purchase of renewable energy. An amendment to the Green Invest Agreement is the subject matter of another resolution on the November 17, 2020 agenda.

Through this Tranche Amendment, Metro will purchase Renewable Energy Certificates (RECs) for the price of \$1.25 per megawatt-hour for each unit of product. Metro would begin purchasing these RECs when the planned solar array is online, which is expected to be September 2023. The planned solar array would produce 200 megawatts and Metro would purchase 50% of that facility’s total renewable generation, or 100

megawatts. The delivery period for this Tranche Amendment is 20 years.