# SWEETWATER AUTHORITY

**Finance and Administration Committee**
**May 19, 2025**

## Consideration to Direct the General Manager to Advertise a Request for Qualifications for the Contracting of a Renewable Energy Manager

**RECOMMENDATION**

Staff recommends that the Governing Board direct the General Manager to advertise a Request for Qualifications for the contracting of a Renewable Energy Manager.

**OVERVIEW**

Since 2014, Sweetwater Authority (Authority) has been implementing its Sustainability Action Plan (Attachment 1), which helped introduce and integrate multiple sustainability goals into previous strategic plans. Initial sustainability goals for the Authority included:

1. The creation of a comprehensive master project tracking framework for sustainable practices, tasks and projects;
2. Reduce energy use and meeting 20 percent of energy demands from renewable energy projects by 2020;
3. Reduce the use of treated water in the service area by promoting conservation;
4. Increasing acquisition of certain supplies from "green" vendors;
5. Reducing waste and increasing recycling practices throughout the Authority facilities; and
6. Slowly transitioning the Authority's fleet to hybrid or cleaner technologies.

The successful implementation of these goals has led to financial savings, reduced operational costs, and numerous intangible benefits, including fostering a culture of sustainability within the workplace and positioning the Authority as a leader in environmentally responsible business practices. Key accomplishments include the formation of the Authority's Green Team, retrofitting buildings with green energy technology and sustainable materials, offering water conservation rebates to customers, implementing a vehicle replacement program, and installing multiple electric vehicle chargers. The Authority has also integrated "reuse, reduce, recycle" principles into various operations and projects, such as the Hazardous Tree Removal Project at the Perdue Water Treatment Plant (Perdue Plant), where eucalyptus trees were removed to create a larger fire break with the tree debris repurposed as mulch for erosion control, and tree trunks used to delineate trails at recreational areas. In terms of large-scale renewable energy infrastructure projects, the Authority has developed a four-acre solar array system at the Reynolds Desalination Facility (Desal Facility), and a hydro-electric turbine at the Perdue Plant. These two projects contribute to energy generation and help reduce the Authority's carbon footprint. Additional renewable energy initiatives should align with the long-term goals of the Authority.

While staff recognizes the accomplishments of the 2014 Sustainability Action Plan and previous renewable energy infrastructure projects, it has become clear that the Authority must build upon that foundation, not only to continue providing core services while balancing human and environmental needs, but also to meet current and future regulatory requirements. Public agencies, including water districts, are required to comply with applicable clean energy and climate-related mandates such as Zero Emission Fleet Conversion and transition to renewable energy sources.

Recommended Scope of Work for Request for Qualification

Authority Staff is recommending that the Board direct the General Manager to advertise a Request for Qualifications (RFQ) for the contracting of a Renewable Energy Manager, that would complete the following Scope of Work:

**Background Information Review** - The Renewable Energy Manager will review and familiarize with the Authority's energy efficiency documentation, energy consumptions reports, and any previous renewable energy implementation projects.

**Preparation of Technical Memoranda -** The Renewable Energy Manager will prepare and submit detailed reports as separate Technical Memoranda, as shown in Table 1, below.

| **TABLE 1. TECHNICAL MEMORANDA DELIVERABLES** | |
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| 1. Data Analysis and Energy Demand Forecast | a) Assess current energy usage, portfolio, and trends.<br>b) Forecast future energy demand based on planned projects, population growth, economic development, and technological advancements.<br>c) Forecast renewable energy production of assets including variables (age, downtime, maintenance, assumed weather, etc.). |
| 2. Environmental Evaluation, Assessment of Regulations | a) Establish energy goals and objectives.<br>b) Evaluate the environmental impacts of energy projects and policies.<br>c) Identify potential regulatory permits required.<br>d) Incorporate measures to minimize pollution, habitat loss, and other environmental risks.<br>e) Develop standards to promote sustainability and energy efficiency within the organization.<br>f) Evaluate how regulations affect energy program approach and onsite generation. |
| 3. Resource Potential Assessment | a) Evaluate existing energy resources, including renewables and fossil fuels.<br>b) Evaluate existing Power Purchase Agreements (PPAs) and future potential agreements. |

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| | c) Determine the potential for solar, wind, hydro, biomass energy production, and other technologies. |
| 4. Evaluation of the Future Energy Market | a) Evaluate the Advantages and disadvantages of bundled versus unbundled energy procurement strategies.<br>b) Evaluate the feasibility of participating in Community Choice Aggregation. |
| 5. Infrastructure Planning | a) Identify limitations and needs for energy generation, transmission, and distribution.<br>b) Plan for the development and maintenance of energy infrastructure.<br>c) Consider infrastructure needs for fleet electrification.<br>d) Investigate potential for microgrid implementation.<br>e) Assess future energy efficiency measures to optimize energy usage, enhance system efficiency, and identify technologies or strategies that can drive future energy savings.<br>f) Recommend power monitoring strategies, assess the functionality of existing submeters, and propose new systems, if necessary. |
| 6. Scenario Planning, including Cost Analysis | a) Short-term, medium-term, long-term operation and maintenance costs associated with each option.<br>b) Consider potential funding opportunities.<br>Include risk analysis on potential change in price and/or value assigned in each business case evaluation to account for changing conditions in the energy market. |
| 7. Risk Management | a) Identify and mitigate risks associated with energy supply, demand, and infrastructure including climate change resiliency.<br>b) Develop contingency plans for potential disruptions and emergencies. |

**Workshops, Meetings, and Presentations -** The Renewable Energy Manager will prepare materials for workshops and presentations to the Governing Board.

**Prepare a Renewable Energy Plan -** The Renewable Energy Manager will prepare a Renewable Energy Plan that achieves the following:

1. Assess a variety of scenarios to identify viable options to achieve carbon neutrality.
2. Provide recommendations to reduce operation costs by assessing energy projects that can improve energy efficiency and provide alternative purchasing opportunities.
3. Identify all regulatory challenges associated with project options.
4. Provide recommendations to enhance energy reliability and resiliency.

5. Provide recommendations on how to maximize alternative funding sources through grant opportunities and any available incentives.
6. Assess the feasibility of cost-effective renewable energy technologies such as land based solar panels, floating solar panels, in-pipe energy recovery, and any other innovative options.
7. Identify regulatory challenges associated with implementation.
8. Provide presentations to the Board, as required.
9. Provide support with public outreach and community meetings to present the finding of prepared assessments and seek input.

The deliverables provided by the Renewable Energy Manager would support the Authority in achieving long-term water security, maintaining compliance with State regulations, managing resources efficiently, and adapting to changing environmental conditions. In addition, the deliverables provided by the Renewable Energy Manager would affect Authority policy and promote responsible water management, while reducing environmental impact, and contributing to the economic and social well-being of the communities within the Authority's service area.

Staff is recommending that that the Board direct the General Manager to advertise an RFQ for the contracting of a Renewable Energy Manager. The RFQ would be advertised on PlanetBids within the next month, reviewed by qualified staff, and a recommendation for a Renewable Energy Manager selection would be presented to the Board within three to four months.

**FISCAL IMPACT**

The fiscal impact is unknown at this time. Staff will return at a later date with the proposals received from the RFQ and provide a financial impact. The proposed draft FY 2025-26 Budget includes funding associated with a Renewable Energy Manager.

**NEXT STEPS**

1. Direct the General Manager to advertise a Request for Qualifications for the contracting of a Renewable Energy Manager.

2. Other direction as determined by the Governing Board.

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**SUPPORTING INFORMATION**

**Attachments**

Attachment 1. 2014 Sustainability Action Plan
Attachment 2. Request for Qualifications for Renewable Energy Manager
Attachment 3. Staff Presentation

**Strategic Plan**

Strategic Plan Goal No. 6. Administrative Effectiveness (AE) Provide efficient and effective administrative systems and procedures in accordance with best management practices.

- Objective AE2. Conduct master planning of major infrastructure operational activities to promote innovation, ensure sustainability, and reliably and effectively plan and allocate Authority resources.
  - Task 4. Update the Environmental Sustainability Plan.

Strategic Plan Goal No. 7. Environmental Stewardship (ES). Provide core services while maintaining a balanced approach to human and environmental needs.

- Objective ES2. Develop strategies to achieve carbon neutrality.

**Past Board Actions**

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| December 14, 2024 | The Governing Board rejected proposals from Noria Energy, and authorized staff to request proposals from on-call environmental consultants to prepare an Environmental Impact Report for the proposed Sweetwater Reservoir Floating Photovoltaic Project. |
| June 12, 2024 | The Governing Board approved the FY 2024-25 Strategic Plan Detailed Work Plan as presented. |
| September 27, 2023 | The Governing Board approved applying to SDGE for an Interconnection study and begin the preparation of a CEQA document for the proposed Sweetwater Reservoir Floating Photovoltaic Project. |
| June 28, 2023 | The Governing Board approved the Term Sheet between Sweetwater Authority and Noria Energy. |
| January 13, 2016 | The Board received Presentation of Sweetwater Authority's Sustainability Action Plan (Informational Item). |