

STPUD, SLT officials embracing renewable energy

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By Kathryn Reed

South Tahoe Public Utility District's hydroelectric plant in Alpine County is expected to be online this fall, with power being sold to Liberty Utilities.

The South Lake Tahoe-based water-sewer district had hoped to have the plant operational a few years ago, but money and construction delays pushed the date back. The project is slated to be completed this summer.

Federal law mandates that all wastewater in the Lake Tahoe Basin must be discharged outside the basin. South Tahoe PUD's treated wastewater goes through a series of pipes over Luther Pass to Harvey Place Reservoir. Then much of the water is distributed to ranchers in the area.



The South Shore's wastewater ends up in the Harvey Place Reservoir in the Diamond Valley. Photo/LTN file

The utility district bought the old Heise Ranch 12 years ago after farmers started to divvy up their land. Laws require the treated water be sprayed on 100-acre parcels or larger.

The district entered into an agreement this month with Liberty to sell the company some of the electricity that will be generated. The plant is expected to start operating Oct. 1.

"Power will be generated whenever recycled water is not being sprayed through the center pivot rigs onto the Diamond Valley Ranch property (the district owns), so, at least all winter and whenever the alfalfa crops don't need to be irrigated with recycled water," Richard Solbrig, general manager of South Tahoe PUD, told *Lake Tahoe News*. "The district also produces significantly more recycled water than our contracts with all the ranchers guarantee that we will supply to them. Since we have very good working relationships with all the ranchers, there will be active discussions on an annual basis in order to decide the exact amounts and timing for the delivery of recycled water to the six ranchers."

STPUD estimates that between \$25,000 and \$30,000 in gross revenues will be generated from the hydroelectric plant.



This marker is at the end of South Tahoe PUD's export line. Photo/LTN file

"With this estimated level of revenue, all costs attributed to the hydropower facilities will be paid for in just over eight years. Life expectancy of the pump and generator are 25 years, while the pressure pipeline itself is expected to last a minimum of 50 years," Solbrig explained. "The pricing portion of the contract is 10 years, at a unit price established by the CPUC. Buyback price after the first 10 years will be adjusted based upon CPUC review of the value of power at that time."

In 2015, Gov. Jerry Brown signed a bill mandating that by 2030 state-regulated utilities must get at least 50 percent of their electricity from renewable energy sources, such as wind, solar, and hydro.

This deal will help Liberty achieve that goal.

"This facility is unique because it takes advantage of

capturing energy that would have been wasted otherwise,” Travis Johnson, vice president of operations for Liberty, told *Lake Tahoe News*.

The city of South Lake Tahoe is contemplating putting even more stringent regulations on Liberty. On the April 18 City Council agenda is a resolution for the city to be using 100 percent renewable energy by 2032. The idea was first brought forward earlier this year by members of the public as the council was working on its strategic goals.

The city is in the process of negotiating its franchise agreement with Liberty. If the council on Tuesday supports the renewable energy initiative, it could then be part of a future contract between the city and Liberty.

“Could Liberty provide the city 100 percent renewable energy in that time frame? Yes, we could. Would it cost more for ratepayers? It is possible that it could be more expensive,” Johnson said. “However, two factors come into play: 1) The state already mandates 50 percent renewable by 2030 and 2) Renewable prices continue to fall each year. These two factors will help lower the incremental cost to move to 100 percent.”

He added that wind energy today is less expensive than fossil fuels in some regions of the country, with solar getting close.

To prove the city was getting all renewable energy Liberty “would do it by total energy consumed in the region. For easy numbers, if the region consumes 100,000 mega-watt hours per year, we could develop a solar project that produces 100,000 MWh. It is all about putting more renewable energy into the grid.”

A related matter on the council agenda would have the city reduce carbon emissions by 80 percent by 2040.