

Offsite Solar at UW-Eau Claire

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University of Wisconsin
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Power Purchase Agreement

- Technically a “renewable energy rider” in Wisconsin
- Impetus: offsetting a new all electric building to achieve net energy neutrality
 - Sonnentag Center
- UWEC subscribes to 2.8 MW (5,717,600 kWh) annually
 - Equivalent to annual energy use of new building
 - Total array is 5MW
- Partner: campus utility Xcel Energy
- Renewable Energy Credits (RECs) – retired by Xcel on behalf of UWEC





RENEWABLE ENERGY RIDER SERVICE AGREEMENT

This Renewable Energy Rider Service Agreement (the "Agreement") is made this 17th day of November, 2023, by and between Northern States Power Company, a Wisconsin corporation with offices located at 1414 West Hamilton Avenue, Eau Claire, Wisconsin 54701 ("NSPW" or the "Company") and the BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM, d/b/a the University of Wisconsin-Eau Claire Wisconsin with offices located at 105 Garfield Ave, Eau Claire, WI, 54701 (the "Customer").

RECITAL

- A. The Public Service Commission of Wisconsin (the "Commission") approved NSPW's Voluntary Renewable Energy Rider - Contract (Schedule VRE-3) by Final Decision dated April 26, 2023 in Docket No. 4220-TE-112 (PSC REF # 465296).
- B. The Customer takes service from NSPW under one or more of the Rate Schedules identified in Schedule VRE-3, as may be amended from time to time by the Company and approved by the Commission.
- C. To take service under Schedule VRE-3, the Customer is required to execute this Agreement with the Company.

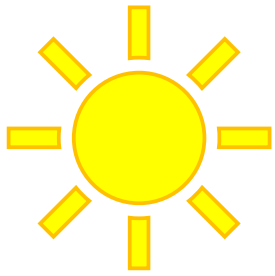
AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter set forth, NSPW and the Customer, on behalf of themselves, their heirs, successors and assigns, agree as follows:

1. Schedule VRE-3. The terms and conditions of Schedule VRE-3, as may be amended from time to time by the Company and approved by the Commission, are hereby incorporated into this Agreement; provided, however, that if approved amendments to Schedule VRE-3 materially increase the load on the

How the contract works

- **Solar Array produces energy**
- **UWEC buys solar energy and RECs from Xcel**
 - Flat rate of \$78.42 per MWh
- **UWEC receives a credit, determined by the Public Service Commission of Wisconsin, for energy produced**
 - Cap of \$90.00/MWh
- **The difference between the credit and the charge per MWh is the financial benefit OR drawback of the program**
- **The building will continue to use electricity at the “regular” cost of energy from Xcel regardless of the solar production, credits, & charges.**



UWEC ILLUSTRATIVE BILL EXAMPLE with 2023 Cg-9 Tariff Rates

ELECTRICITY CHARGES

RATE: Cg-9 Large TOD Srv Secondary

DESCRIPTION	USAGE	UNITS	RATE	CHARGE
Customer Charge				\$180.00
On-Peak Energy ChWinter	116,667 kWh		\$0.088500	\$10,325.00
Off-Peak Energy ChWinter	175,000 kWh		\$0.054000	\$9,450.00
Energy Cost Adjustment	291,667 kWh		\$0.003730	\$1,087.92
Customer Demand	599 kW		\$3.500000	\$2,097.60
On-Peak Demand ChWinte	599 kW		\$13.000000	\$7,791.10
Subtotal				\$30,931.62
WI Low Income Assist				\$309.32
Total				\$31,240.93

OTHER RECURRING CHARGES DETAILS

DESCRIPTION			CHARGE
Empower Renewables			
Production Price/Credit			
Solar Production Period			
Empower Renewables Price	291,667 x	0.07842	\$22,872.50
S*CC Production Credit	291,667 x	-0.07590	-\$22,137.50

*** Monthly Estiamted Empower Renewable Cost/ Credit

\$735.00

UWEC pays or is paid the difference

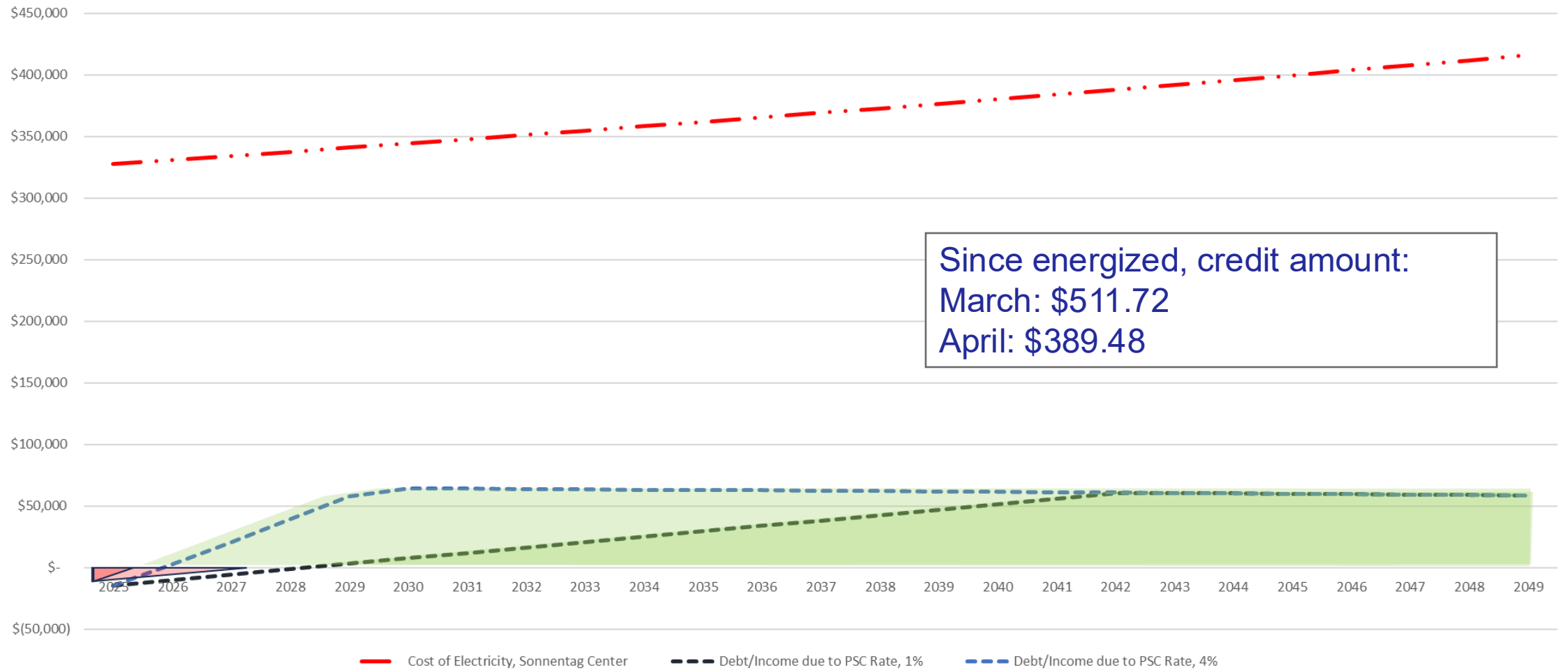
The Somentag building uses energy and is charged for that energy.

UWEC is charged a flat rate for the cost of the solar production \$78.42/kWh

UWEC is credited for the solar production at rate set by PSCW \$75.90/MWh >to> cap of \$90.00/MWh

UWEC

Cost of Sonnentag Cener & Costs/Income from Empower Renewables Solar Project



Pros & Cons of PPA

Pros

- Easy to execute project, as Xcel took care of the details
 - No permitting, RFPs, etc.
 - Less risk/uncertainty for UWEC
 - Xcel handles maintenance and repairs
 - Xcel retired RECs on our behalf
- No large capital investment from campus required
- Less red tape internally for UWEC vs. owning the solar development
- Research, tours both still possible for campus community
- Potentially lower cost for install due to 5MW size and ground mount style
- \$40,000-\$60,000 in credit if math is correct

Cons

- Rooftop solar on the new building would have saved the campus more \$...probably
 - 90% of energy needs on annual basis would have been met using rooftop
 - Need to factor in bond/large upfront investment to ROI
- Offsite solar is less visible to students & community
- Credit applies to bill instead of returned as cash to campus – no monetary benefit to susty. office
- Ceiling on credit reduces returns over long run
- Confusing process

THANK YOU

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