City of Atwater, California
Offsets Energy Use with Help from Siemens Solar PPA

Atwater, California – Home to approximately 28,000 people, the City of Atwater is a growing community that’s completing the process of building a new Regional Wastewater Treatment Plant, providing municipal sewage service to the City of Atwater (population 28,000), the Community of Winton (population 11,000), Castle Aviation Center, and the Federal Bureau of Prisons. City officials expect this new wastewater treatment plant to use more energy than the existing facility, a likelihood that prompted the City to explore its options to reduce energy costs and improve sustainability efforts.

Objectives
With a new wastewater treatment plant under construction, the City of Atwater anticipates that energy demand will increase when the new facility comes online. Like many communities in California facing economic challenges, Atwater needed to find a creative way to help reduce energy costs associated with this greater demand. To help achieve this objective, the City issued a request for proposal for a solar energy power purchase agreement (PPA). Through a PPA, the City of Atwater wants to:

• Obtain a lower electrical cost per kilowatt hour than it currently pays
• Offload some of the new wastewater treatment plant’s demand
• Reduce overall energy costs while taking advantage of a clean, sustainable energy resource

Through a competitive RFP process, the City of Atwater selected Siemens Industry, Inc., as its partner in a solar energy PPA.
Solutions
Siemens Solar PPA program allows the City of Atwater to procure solar power from Siemens with equipment that Siemens builds, owns, maintains, and operates on the City’s behalf. Using that equipment, the City will purchase solar energy from Siemens at a competitive price per kilowatt hour, paying only for the power that is generated on City property, and without an upfront capital investment. The agreed-upon rate is guaranteed by Siemens to the City of Atwater for the entire 20-year term of the PPA.

For this implementation, Siemens is designing and building a 1.1MW ground mount solar system on land adjacent to the new wastewater treatment plant. Part of this land is a former landfill site; therefore the solar installation will put otherwise unused land to good use.

Results
The City estimates that the solar power purchase agreement will generate more than $1 million in cost savings for the City of Atwater over the life of the guaranteed project, thanks to the lower electrical cost per kilowatt hour. By using solar energy to offload some demand from the new wastewater treatment plant, Atwater will be able to reduce its energy costs associated with the increased demand. With Siemens Solar PPA, there is no-up front capital investment, thus concerns of loan payments or defaults are mitigated, and budgeting for increases in electric costs becomes much easier for the City.