**Ahead of the Clean Energy Curve in Palo Alto**

***Contributed by Ronnie Holland***

IRESN’s Ronnie Holland attended a recent event sponsored by the Power Association of Northern California. It featured a presentation by City of Palo Alto Director of Utilities Valerie Fong on “Managing Renewables Integration.” Valerie worked for PG&E and the City of Alameda prior to her current responsibility for five City of Palo Alto utilities: electric, gas, water, wastewater and fiber optics. Palo Alto’s electricity services are not regulated by state agencies; instead, city government exercises regulatory authority.

Valerie discussed Palo Alto’s climate policies and initiatives. She compared Palo Alto’s Renewable Portfolio Standard (RPS) goals and achievements to California’s. Palo Alto is on track to meet their RPS of 33%...by 2015! with a rate impact up to 0.5 cents/kWh. California’s RPS goal is 33% by 2020.

Valerie also reviewed Palo Alto’s current renewable portfolio, and how its resource supply mix will change by 2017, referencing an RFP due by 10/9/13 for new renewables, with a start date of 1/1/14. Since Palo Alto’s resource mix is 50% hydro, in dry years, e.g. 2012 when hydro production was 30% of the long term average, they have to purchase power from other utilities and independent suppliers.

Palo Alto’s fixed price Feed-In Tariff (FIT) is paid for 20 years, interconnected on the utility side of the meter, has a 2MW cap, with pricing based on avoided costs of electricity purchases and production. The 2013 price is 16.5 cents/kWh, with no takers to date. For more information, see: <http://www.cityofpaloalto.org/gov/depts/utl/default.asp>