

## *Community Energy Department*

### **For Immediate Release**

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## **San José Clean Energy and Terra-Gen Ink Two Long-term Agreements for New Renewable Energy Resources**

*More than 162 MW of solar plus battery storage will be added to the California grid, helping San José meet its climate goals and increasing renewable energy consumption during more hours of the day*

**SAN JOSE, Calif. April 30, 2020** – San José Clean Energy (SJCE) and developer Terra-Gen have signed two long-term power purchase agreements (PPAs) that will provide San José with 162 megawatts (MW) of new renewable energy. Both projects will be built in Kern County, California with union labor.

- 15-year PPA for 100 MW of new solar energy, expected to reach commercial operation by the end of 2022.
- 12-year PPA for 62 MW of new renewable energy that will be provided in a unique format: guaranteed delivery of 62 MW of renewable energy between 6:00 a.m. and 10:00 p.m. every day. To meet this obligation, Terra-Gen will build more than 100 MW of new solar energy and new battery storage. This project is expected to reach commercial operation by the end of 2021.

The innovative 12-year PPA will help reduce reliance on local natural gas plants by providing renewable energy in the late afternoon and evening hours, when demand for electricity is high but renewable energy availability is low. This in turn will help decrease asthma and other respiratory issues.

“SJCE’s latest investments in renewable energy will produce enough clean electricity to power nearly 79,000 homes each year—the same impact as taking 1.3 million cars off the road,” said Mayor Sam Liccardo. “Increasing the amount of renewable energy in our power supply will bring us closer to meeting our aggressive Climate Smart San José goals—providing a livable planet for future generations.”

As the city’s Community Choice Aggregator (CCA), SJCE provides electricity generation service for more than 328,000 residential and business customers, with a high participation rate of 98.2%. SJCE’s default power mix, GreenSource, is sourced 45% from renewable energy, 6% more than PG&E’s standard mix, at rates 1% lower than PG&E.

“Firm delivery of cost-effective renewable electricity is critical as we transition to a renewable energy future,” said Lori Mitchell, Director of San José’s Community Energy Department, which operates SJCE. “Innovative projects like these save our community money and get us closer to our goal of providing more renewable energy during all hours of the day to ensure reliability.”

“Terra-Gen is pleased to collaborate with SJCE to create a more flexible and reliable grid and help them meet their customers’ request for reliable, clean, and renewable electricity,” said Jim Pagano, CEO of Terra-Gen.

“The average total cost to build and operate renewables is now typically lower than fossil fuels,” said Jeanne Solé, SJCE Deputy Director of Power Resources Management. “The competitive pricing we’ve secured for our PPAs will lower operational costs and allow us to provide cost effective electricity to our customers. During this public health crisis, where residential usage has increased, it is more important than ever to lower electricity costs for customers.”

SJCE launched service to most residents and businesses in San José in February 2019. In just over a year, SJCE has made significant investments in renewable energy to serve the community. In August, SJCE signed a long-term PPA with EDP Renewables for 100 MW of new solar energy and 10 MW of battery storage. These new agreements with Terra-Gen are an important step to meeting customer demand for renewable energy.

SJCE customers can elect to receive 100% renewable energy with SJCE’s TotalGreen service. Nearly 1,400 residential and commercial customers have chosen TotalGreen, including large customers Samsung Semiconductor, eBay, and HPE and small businesses Dogtopia, Aqua Lab Aquaria, and Schnitzer Steel Industries.

Increasing the amount of renewable and carbon-free energy powering San José is a key component of Climate Smart San José, the city’s climate action plan. A central goal of the plan is to provide San José with carbon-neutral power by 2021 and 100% renewable power by 2050.

SJCE joins East Bay Community Energy (EBCE), another local CCA, in contracting for new solar energy in Kern County with Terra-Gen. Collaborating on power purchase agreements creates planning and economic efficiencies. CCAs are driving California’s clean energy future: in total, the CCAs have plans to contract for more than 10,000 MW of new renewable resources by 2030.

### **About the City of San José**

*With more than one million residents, San José is one of the most diverse large cities in the United States and is Northern California’s largest city and the 10th largest city in the nation. San José’s transformation into a global innovation center has resulted in one of the largest concentrations of technology companies and expertise in the world. In 2011, the City adopted Envision San José 2040, a long-term growth plan that sets forth a vision and a comprehensive road map to guide the City’s anticipated growth through the year 2040.*

### **About the Community Energy Department**

*San José Clean Energy is the new electricity generation service provider for residents and businesses in the City of San José, operated by the City’s Community Energy Department. Governed by the City Council, it provides over 328,000 residential and commercial electricity customers with cleaner, lower carbon power options at competitive prices, from sources like solar, wind and hydropower. For more information, please visit [www.SanJoseCleanEnergy.org](http://www.SanJoseCleanEnergy.org).*

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