



FOR IMMEDIATE RELEASE:

Tuesday, May 12, 2009

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**MAYOR NEWSOM HAILS APPROVAL OF CALIFORNIA'S LARGEST SOLAR PHOTOVOLTAIC
INSTALLATION AT SUNSET RESERVOIR**

5 MW Project Will More than Triple San Francisco's Total Solar Energy Output

SAN FRANCISCO, CA - Mayor Gavin Newsom today lauded the Board of Supervisors' approval of a five megawatt (MW) solar installation for the roof of the Sunset Reservoir. When completed in 2010, the project will be California's largest solar photovoltaic (PV) installation and more than triple San Francisco's total municipal solar energy output from 2 MW today to 7 MW. The Board's approval of a 25-year contract between the San Francisco Public Utilities Commission (SFPUC) and San Francisco-based Recurrent Energy will deliver clean, renewable solar power for City municipal services and facilities, including public schools, San Francisco International Airport, SF General Hospital, Muni and more. The project will also create more than 70 local green jobs, including at least 21 jobs for individuals in the City's workforce development programs.

"Today San Francisco took another major step towards achieving our commitments to reduce greenhouse gases and grow our green economy," said Mayor Newsom, who sponsored the legislation.

"With this single project, we will more than triple San Francisco's solar energy production, build California's largest photovoltaic system, and help lead the state towards a future of clean, renewable energy."

“I’m proud that my district will soon be home to California’s largest solar PV installation,” said Supervisor Carmen Chu, who co-sponsored the legislation with Mayor Newsom, and whose district includes the 8-square block Sunset Reservoir, the City’s largest. “I want to thank the environmental community, my colleagues on the Board, the SFPUC and Recurrent Energy for forging this smart public-private partnership that will rapidly expand our green power resources.”

The agreement between the SFPUC and Recurrent Energy leverages a 30% federal tax credit available only to the private sector through a “Power Purchase Agreement” (PPA) to dramatically lower project costs. Over the 25 year life of the contract, the City estimates that the power purchased from the project will cost \$50.3 million, \$36 million less than the lifetime cost of \$86.3 million had the City built and financed the system themselves. Under the agreement, Recurrent Energy also assumes all the risk of financing, building and operating the project. The SFPUC is only responsible for purchasing the solar power produced at a competitive rate. The measure was also co-sponsored by Supervisors Bevan Dufty, Michela Alioto-Pier, and Eric Mar.

“With this agreement San Francisco can continue to be a leader in developing the solar energy markets while taking concrete steps towards meeting our renewable energy and greenhouse gas reduction goals,” said SFPUC General Manager Ed Harrington.

“Recurrent Energy is proud to partner with the City of San Francisco to create local green jobs now and deliver clean solar public power for the future,” said Recurrent Energy’s CEO, Arno Harris.

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