







City on track to save $1 million over the next 25 years

The city’s new solar power project is in the final phases of testing, and is slated to go live in the next several weeks. Once operational, the site will generate roughly 10 percent of Gallup’s power. The solar farm will be located on city-owned property south of Interstate 40, between the pending Allison Road interchange and Muñoz exit.

The project, two years in the making, began from a city request for proposals in 2015. The firm selected for the job was and is Standard Solar Inc. The company also owns and operates the endless rows of solar panels that now obscure a once barren field.

According to an article on the project by Kelsey Misbrener for Solar Power World, “The single-axis tracker array is expected to generate more than 20 million kilowatt-hours of power annually providing nearly 10 percent of the city’s energy use.”

Standard Solar will have the right to lease the land from the city for 25 years, but the city has retained the right to purchase the project after seven years.

Richard Matzke, electric director for the city of Gallup, spoke to the *Sun* regarding the project’s cost to the city.

“To date, the city has paid roughly $135,000 toward the project, including costs to prepare the RFP (request for proposals) and negotiate the power purchase agreement [and] geotechnical report,” he said.

Matzke also said that going forward there would be additional costs associated with the project, relating to the extension that will connect it to Gallup’s electrical system.

GENERATING CHANGE

Despite high initial and anticipated expenses, Matzke pointed out that the efforts to move the city towards renewable energy would eventually prove frugal.

“This project will save the city roughly $1 million over 25 years,” he said during a phone interview.

The reason for these expected savings is partly because the solar power the city purchases from Standard will cost less than the rate the city currently pays to Continental Divide Electric Cooperative Inc., its primary supplier.

The city does not currently generate power on its own. Instead, it purchases all of its power from other sources, primarily Continental, with a lesser amount coming from Western Area Power Administration. Going forward, the solar power from Standard will also be included in that mix.

Electrical power is priced in “kilowatt-hour,” or “kWh”. A kilowatt-hour is equal to 3.6 megajoules, which is roughly the energy needed to power a television for 10 hours straight. On average, a laborer working for eight hours will generate half of one kilowatt-hour over the course of his day.

The rate the city pays to Continental is currently 4.843 cents per kWh, and the rate it will pay Standard for the solar power is 4.75 cents per kWh.

The solar project is a fixed price contract, so the price the city pays for solar power will not change over the life of the agreement. The existing contract with Continental is not fixed price, so charges to the city have the potential to increase. Because of this, the difference in cost between the two contracts could continue to grow wider.

GOING GREEN

As part of a 2014 purchase agreement with Continental, Matzke said that the city “had the option to generate up to 10 percent of our power on our own.”

The solar project is the realization of that agreement. Gallup is also taking other steps toward renewable energy.

The city’s primary supplier, Continental, does not own or control any electric generation capability, focusing instead on transmission. Instead, they purchase their power from Tri-State

Generation and Transmission Association Inc.

In 2017, 30 percent of the electricity used by Tri-State member-owners, consumers of the co-op, and public power district members was from renewables. Comprising that renewable energy was 50 percent wind, 38 percent hydroelectric, and 12 percent solar.

The other source of power the city currently utilizes, Western Area Power Administration, is generated primarily from hydroelectric sources.

Because the city’s main supplier is already at 30 percent renewable energy, its secondary supplier is almost purely renewable, and its new solar power plant will be renewable, Gallup is on its way to receiving more than 40 percent of its power from renewable sources.

As for the question of whether the city can continue to increase solar production even further, Matzke commented that it wasn’t permissible under the current contract with Continental. However, when the contracts come up for renewal, giving Gallup the option to further build out its renewable energy production capacity, it’s something the city can consider in negotiations.

COMMUNITY EXCITEMENT

City Councilor/Mayor Pro Tempore Allan Landavazo has been an ardent supporter of renewable energy, recycling, and projects that generally seem good for Gallup and Gallup’s curb appeal.

Also, it’s a dream come true for one local group of sun energy advocates.

“Gallup Solar has been pushing for the project …,” Landavazo said.

Gallup Solar has held gatherings on Wednesdays, since 2007, and has advocated for sun

power – from outfitting homes with solar panels to the city powering all residents by the sun – since the group’s inception.

Be Sargent of Gallup Solar, who has her home outfitted with solar devices, summed up what the solar farm project means to the group.

“We have wanted the solar power plant since the beginning,” she said.

Beyond that group, Landavazo added that he has also heard from quite a few city residents expressing their interest in renewable energy.

This was confirmed in interviews with city residents, including one with UNM-G student and Gallup resident Carlos Abeyta.

“I think this is a great project, and really could help Gallup’s image,” he told the *Sun*.

Abeyta was already familiar with the project and said that for a city trying to attract and retain its youth, the solar project is “exactly the kind of forward thinking that gets us excited.”

By Jonathan Gregg
Sun Correspondent