



**GOVERNING BOARD AGENDA ITEM
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10**

DATE OF MEETING: March 8, 2011

TITLE: Approval to Execute a Contract with EnerNOC, Inc. for Participation in the Tucson Electric Power DemandSMART Energy Reduction Program

BACKGROUND: Tucson Electric Power (TEP) has implemented a program for commercial and industrial facilities to voluntarily reduce their electrical energy consumption during periods of peak demand or high wholesale electricity prices to ensure reliable and affordable electrical service for all TEP customers. The Arizona Corporation Commission on July 12, 2010 approved EnerNOC, Inc. to implement the DemandSMART program based on their response to a competitive solicitation. During periods of rare peak demand or emergency events, EnerNOC will contact the District and request electrical usage be curtailed at specific sites. Events are limited to 4 hours duration, and 80 hours annually. Peak demands generally occur during the summer months after 2:00 p.m., a time when schools are reducing power due to the close of the school day. Emergency events occur less frequently, such as the recent cold snap of subfreezing weather. EnerNOC will provide the District at no charge energy management software to allow near real-time visibility into electrical usage down to the meter level at each facility. The District will receive quarterly payments regardless of the number of events called, annualized at \$19.50/kW curtailed. Energy payments in the amount of \$0.25/kWh reduction will be made for each event called for an estimated total annual return to the District of \$29,400.00. There is no cost to the District to participate in this program, nor any penalties should the District be unable to curtail power during an event. Power reduction if requested, is at the District's discretion.

RECOMMENDATION: The Administration recommends the Governing Board authorize the Administration to Execute a Contract with EnerNOC, Inc. for participation in the Tucson Electric Power DemandSMART Energy Reduction Program.

INITIATED BY:

Doug Aho, Executive Manager Operational Support

Date: February 28, 2011

Vicki Balentine, Ph.D., Superintendent