



Legislation Details (With Text)

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Title: Resolution - Approval of 2019 Capital Improvement Plan (CIP) Budget Amendment for Battery Energy Storage Solution (BESS) Project - B Gedrich

Sponsors:

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Date	Ver.	Action By	Action	Result
9/13/2019	1	Board of Directors	adopted	Pass

Resolution - Approval of 2019 Capital Improvement Plan (CIP) Budget Amendment for Battery Energy Storage Solution (BESS) Project - B Gedrich

Submitted By: Brian Gedrich

Department: Engineering

Financial Impact and Cost/Benefit Considerations: This action would transfer unused Capital Improvement Plan (CIP) funds of \$3.3 million from three other projects and reallocate to the CIP Budget for Utility Scale Battery Energy Storage project for 2019.

The Board previously approved the BESS project in 2018 which includes a grant from TCEQ for a portion of the ultimate project costs. Section 4.2.1 of the Board's Budget Policy requires approval from PEC's Board of Directors to transfer unused funds between CIP budget categories. The approved 2019 CIP budget included CIP funds for Misc. Distribution Equipment (\$1.8 million), Darden Hills Construct 46.7 MVA Substation (\$1.4 million) and Mobile Circuit Switcher Upgrade (\$100,000). In order to commence the battery project in 2019 the approved funds referenced should be reallocated to the CIP Utility Scale Battery Energy Storage project category.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Board approves the reallocation from and transfer of funds to the Cooperative's 2019 Capital Improvement Budget as described herein; and

BE IT FURTHER RESOLVED, that the Chief Executive Officer or designee is authorized to take such actions as needed to implement this resolution.