



# Howard County

## *Internal Memorandum*

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**Subject:** Testimony on Council Bill No. xxx-2026, Approving a Multiyear Renewable Energy Power Purchase Agreement with CI Renewables HCPS LLC

**To:** Brandee Ganz, Chief Administrative Officer

**From:** Tim Lattimer, Administrator, Office of Community Sustainability Initial  
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**Date:** February 19, 2026

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### **Summary**

Council Bill xxx-2026 authorizes the Executive to enter into a renewable energy power purchase agreement (PPA) jointly with the Howard County Public School System (HCPSS) and Howard Community College (HCC) with CI Renewables HCPS LLC for a period of 25 years. The agreement requires payment by the County of funds from an appropriation in a later fiscal year and therefore requires County Council approval as a multiyear agreement, pursuant to Section 612 of the Howard County Charter. This PPA will advance the County toward our renewable energy goals, enable further reductions of climate pollution, support greater energy independence, and save Howard Countians a total of about \$14.7 million over the expected 25-year term of the PPA.

### **Background**

In August 2025, the County, HCPSS, and HCC (“the Partners”) executed a memorandum of understanding (MOU) for cooperation on climate and sustainability, committing, inter alia, to deploy renewable energy and energy efficiency projects and programs on County, HCPSS, and HCC properties, including through collaboration on renewable energy /power purchase agreements PPAs.

This bill authorizes the Executive to enter into a PPA jointly with HCPSS and HCC. The agreement requires the payment by the County of funds from an appropriation in a later fiscal year and therefore requires County Council approval as a multiyear agreement pursuant to Section 612 of the Howard County Charter.

The vendor for this contract was selected through a competitive process undertaken by the Partners under County leadership. The County issued Request for Proposals no. 21-2025 on behalf of the Partners on March 31, 2025. From a field of seven prospective power providers, the Partners interviewed four deemed qualified to meet the requirements of the Partners set forth in RFP 21-2025. On December 19, 2025, the County notified CI Renewables HCPS LLC on behalf of the Partners that it was awarded the contract to serve as the Power Provider pursuant to the RFP.

In this agreement, the Power Provider or a wholly-owned affiliate will, at its sole cost and expense, develop, finance, build, own, maintain, operate, and decommission solar facilities to be licensed separately at Partner sites in Howard County to supply renewable energy in the form of solar electricity to the Partners. As is the nature of a PPA, the contractor is responsible for the capital expenditures related to this project. The Partners agree to buy the power generated on their respective properties.

On County sites, the project entails rooftop solar on four sites with a total expected generating capacity of 1,932 kilowatt direct current (kW DC) solar electricity. The four County sites include: Ascend One Building, New ElkrIDGE Community Center, North Laurel Community Center, and 9755 Patuxent Woods Dr. The County, HCPSS, and HCC project sites are listed in the PPA under “Exhibits A, B, and C – Purchaser Sites.”

The County will pay a fixed rate of \$0.1096 per kWh, as opposed to \$0.1327 per kWh, which is the rate we will pay for electricity in FY27 from our third-party electricity supplier WGL and the per kWh or distribution rates to BGE, which are the primary costs that solar would replace. Over the expected 25-year term of the projects on County sites under this PPA, we estimate that the County itself will save approximately \$3.5 million in electricity costs. Overall, this PPA will save the County, HCPSS, and HCC a combined total of approximately \$15 million in electricity costs over the expected 25-year term of the PPA.

Clean energy is a significant element of our June 2023 “Howard County Climate Forward: Climate Action and Resiliency Plan,” which was designed to meet our ambitious goals of reducing greenhouse gas (GHG) emissions by 60% below 2005 levels by 2030 and achieve net zero emission by 2045. Howard County currently has over 150 megawatts (MW) of total solar capacity, inclusive of our 2020 PPA, in addition to other residential and commercial solar development. Under our 2023 Climate Forward Plan, the County is striving to reach 437 MW of solar capacity by 2030 and 1,133 MW by 2045.

The County’s earlier 2020 PPA - the largest in Maryland – is now about 97 percent complete, and it generates more than half of the electricity used by County government buildings. We estimate that the 2020 PPA will save the County well over \$30 million in electricity costs over its 25-year term and likely more if BGE’s electricity rates continue to rise as expected.

Using the U.S. EPA greenhouse gas equivalency calculator, we estimate that projects under this new PPA will reduce our greenhouse gas emissions by approximately 6,600 metric tons of Carbon Dioxide Equivalent in the first year, which equates to taking about 1,529 gas-powered passenger cars off the road for a year. Over the expected 25-year life of the project we estimate that it will eliminate a total of 154,000 metric tons of Carbon Dioxide Equivalent, which equates to taking about 35,921 gas-powered passenger cars off the road for a year.

## Fiscal Impact

The PPA creates no additional capital expenditure for the County. As we have experienced with our 2020 PPA, the nature of a PPA is such that the vendor is responsible for the capital costs related to the installation.

Additionally, we will see long-term operating budget savings. The County's estimated savings are calculated in the following way:

- The County's current electricity rate (supplied by WGL and distributed by BGE) is \$0.1327 per kWh, which we estimate conservatively will increase 2% year-over-year. With this PPA, we would pay a fixed rate of \$0.1096/kWh with no increases (except as otherwise noted below) over the 25-year life of the agreement. This would yield total savings over 25 years of approximately \$14.7 million across the County, HCPSS and HCC.
- The solar projects built through the PPA are expected to generate approximately 216,828 kWh per year.
- The term of the PPA is 25 years and we estimate about 0.55% degradation per year in the solar panel productivity, reducing the annual rate of production in kWh by 0,55% each year.
- The PPA includes a provision that increases the PPA rate to \$0.12/kWh if interconnection costs charged by BGE for the Route 40 ground-mount facility are greater than \$600,000 above estimates used in the RFP. Using the same method above, the 25-year savings at this maximum possible PPA rate is nearly \$12.1 million.
- These cost savings amounts are conservative estimates and are subject to change based on the actual generation of the solar facilities and the actual increases we may see in conventional utility supply and distribution rates.

Savings Breakdown by Partner:

<b>Partner</b>	<b>25-Year Savings at \$0.1096/kWh</b>	<b>25-Year Savings at \$0.12/kWh</b>
County	\$3,037,809	\$2,505,848
HCC	\$216,942	\$133,789
HCPSS	\$11,459,883	\$9,453,104
<b>Total</b>	<b>\$14,714,634</b>	<b>\$12,092,741</b>