July 8, 2025 City Council Meeting

Title

Resolution Approving Battery Energy Storage System Agreements—Wesley Russ, Deputy City Attorney

Summary

Consider adopting a resolution authorizing Harrisonburg Electric Commission to enter into a Battery Energy Storage System Output Purchase Agreement and Interconnection Agreement for Battery Energy Storage Facility for a term in excess of 10 years.

Recommendation

Option 1. Adopt the resolution as presented

Fiscal Impact

The BESS Project will enable significant cost savings for VMEA members, including HEC.

Context & Analysis

The Harrisonburg Electric Commission (HEC) desires to participate in a battery energy storage system project (the "BESS Project"), where a BESS system would be installed and interconnected with HEC's electric facilities. The BESS Project will reduce the peak load of Virginia Municipal Electric Association No. 1 ("VMEA"), which will enable significant cost savings. Those savings will be apportioned to VMEA members, including HEC.

Section 8-1-11 of the City Code of the City of Harrisonburg, Virginia requires City Council approve any HEC contracts or agreements that exceed 10 years in duration.

Options

1. Adopt the ordinance as requested by HEC

Attachments

- 1. Proposed Resolution
- 2. BESS VMEA Member Agreement
- 3. BESS Interconnection Agreement