



Staff Report

Agenda Item: **LETTER OF SUPPORT FOR SOLAR FIELD PROJECT –**
Consideration of a Letter of Support for Salt River Materials Group’s
Solar Field Project at the Clarkdale Plant Project.

Sponsored By: Mayor Von Gausig

Prepared By: Kathy Bainbridge, Clerk/Finance Director

Meeting Date: June 22, 2010

Background: Phoenix Cement Company is a regional supplier of portland cements, gypsum, and fly ash products. Based in Phoenix, Arizona, the company began operating in 1959 when American Cement Corporation constructed a plant in Clarkdale. Having won the contract to supply low-heat cement for construction of the massive Glen Canyon Dam, American Cement decided to build a new plant in Northern Arizona with the intention of dismantling it after completion of the project. As work progressed, new projections of growth in Arizona led the company to continue operation of the plant, and eventually expand it in 1962. Thus, Phoenix Cement Company was born.

While Phoenix Cement has always kept its name, it has changed ownership through the years. From 1971 to 1979, the company was a division of Amcord, a large producer of cement, coal, and other construction materials. In 1979, Gifford-Hill purchased the company and operated it within its family of cement plants. In 1987, Phoenix Cement was purchased by its current owners, the Salt River Pima-Maricopa Indian Community.

Salt River Materials Group (SRMG) continually demonstrates leadership in energy efficiency and environmental stewardship, and this proposed Solar Field Project further confirms their commitment to those objectives and values. In 2007 and 2008, the U.S. Environmental Protection Agency (EPA) awarded the Phoenix Cement Plant in Clarkdale the ENERGY STAR® award for energy efficiency in cement plants. The Phoenix Cement plant in Clarkdale features energy efficient roller mills for coal, raw meal and finish grinding. The finish grinding mill was the first such mill to be installed in the U.S. An energy efficient clinker cooler captures and uses more waste heat in the system and raw feed sweetening and blending systems have recently been upgraded to improve overall process efficiency.

Phoenix Cement continues to pursue energy savings through training events conducted to improve employee awareness of energy efficiency at work and at home and by reviewing all projects under design for energy efficiency. In addition, Phoenix Cement has modified operating procedures to reduce energy consumption, installs only high-efficiency replacement motors and lighting, and has upgraded existing lighting and compressed air systems with energy efficient equipment. Along with significant energy savings, these improvements allow the plant to reduce emissions and water consumption.

The Town of Clarkdale should be happy to encourage renewable energy projects in and near our town, since these projects will contribute to our goal of energy, water and economic sustainability and further our vision for instilling a culture of sustainability in Clarkdale. We believe that the Phoenix Cement Solar Field Project will enhance the Verde Valley's reputation for innovative, clean solutions to economic sustainability.

The Solar Field Project will install up to 370 Infinia PowerDish systems ("PDS") purchased from Infinia. See <http://www.infiniacorp.com/powerdish.html>. The units will be deployed on approximately seven acres of land provided by Phoenix Cement Company ("PCC") at their Clarkdale plant. The solar field will be located to the east of the old Bison corral and is rated at just under 1MW.

Site excavation and construction will begin in October, 2010 and installation/testing of systems will occur in November/December, 2010. The Commercial Operation Date (COD) will occur no later than the end of January, 2011.

Infinia is financing the project until they find other investors which will be part of Verde Energy, LLC. The electricity will be sold to Phoenix Cement Company under a 20 year Power Purchase Agreement.

Recommendation: Staff recommends that the Council approve the Letter of Support for Salt River Materials Group Phoenix Cement Solar Field Project at their Clarkdale plant.



Town of Clarkdale

P.O. Box 308
Clarkdale, AZ 86324
(928) 639-2400 phone
(928) 639-2409 fax

June 22, 2010

Phoenix Cement Company
3000 W. Cement Plant Road
P.O. Box 428
Clarkdale, Arizona 86324

To Whom it may Concern;

The Town of Clarkdale is proud to enthusiastically support the Salt River Materials Group's Phoenix Cement Solar Field project.

This project will install up to 370 Infinia PowerDish solar concentrating/Stirling engine power generating systems on approximately 7 acres of land adjacent to the Clarkdale Phoenix Cement Plant. This will produce clean, renewable energy for a portion of the plant's operations by early 2011.

Salt River Materials Group continually demonstrates leadership in energy efficiency and environmental stewardship, and this project only confirms their commitment to those objectives and values.

The Town of Clarkdale is happy to encourage renewable energy projects in and near our town, since these projects will contribute to our goal of energy, water and economic sustainability. We believe that the Phoenix Cement Solar Field Project will enhance the Verde Valley's reputation for innovative, clean solutions to economic sustainability.

If I or the Town's staff can answer any questions at all about our support for this project, please do not hesitate to contact us.

Sincerely,

Doug Von Gausig
Mayor