Wellfleet Energy Committee Minutes of the Meeting of October 15, 2012 Council On Aging Building 7:00 p.m.

Present: Chair Marcus Springer, Charles Cole, Edmund Doyle, Lilli-Ann Green, Teresa Parker, Finance Committee Representative Thomas Reinhart

Absent: Richard Elkin

Guests: Preston Ribnick, William Sullivan, Marilyn Miller, Michael Tanghe, David Judelson, Mary O'Donnell, Michael Frenette

Chair Marcus Springer called the meeting to order at 7:00 p.m.

A request to tape record the meeting by Lilli-Ann Green was made and the request was granted by the Chair Marcus Springer.

BUSINESS

Chair Marcus Springer announced that Craig Meadows has resigned from the Energy Committee.

Letter to Board of Selectmen (BoS) regarding CLC²: Chair Marcus Springer presented his draft of a letter to BoS. The content was discussed and the general consensus of the members was that a meeting be held between WEC members and the Acting Town Administrator prior to formalizing a letter to the BoS. Marcus Springer offered to meet with Tim King to talk about the concerns of WEC members. Marcus Springer asked Lilli-Ann Green to join him at the meeting and she agreed to do so.

Minutes of 9/19/12 meeting:

Motion, Teresa Parker moved to approve the draft minutes¹. Charles Cole seconded, and the motion carried 5-0.

Future agenda items:

Public Hearing for the Solar Photovoltaic Installation, Large-Scale Ground-Mounted (LSGMSPI) Zoning Bylaw: Chair Marcus Springer received a communication from the Planning Board (PB) Secretary regarding the PB vote to approve the LSGMSPI Zoning Bylaw.^{12, 13} He thought there may be a PB hearing date by the next WEC meeting.

Stretch Code: Chair Marcus Springer announced that the new 2015 Stretch Code has been released and he would update WEC members at the November meeting about the Stretch Code.

Questions for NStar: A memo to WEC members written by Lilli-Ann Green was discussed³. Chair Marcus Springer will follow up with NStar regarding outstanding questions about any potential LSGMSPI at the town landfill area so that Wellfleet has answers to outstanding questions in writing from NStar.

Updates on Research Conducted by WEC members: Lilli-Ann Green summarized her conversation with two additional solar vendors in a memo to WEC members⁴. The consensus of WEC members was to invite representatives of the two companies to speak at a future WEC meeting. Lilli-Ann Green shared the communication with DOER regarding research into a waiver for Criterion 1 of the Green Communities Act. ⁵

Introduction of Michael Tanghe, Co-founder and David Judelson, Solar Consultant of Blue Selenium Solar: Chair Marcus Springer introduced the guests from Blue Selenium Solar.

Presentation and discussion: Mr. Tanghe presented an overview about the company, the staff, and the quality of the products the company uses. The company is interested in working with Wellfleet regarding any LSGMSPI project as well as any bulk purchase of roof mounted solar panels for homes and businesses with the benefit to Wellfleet property owners of lowering the cost of the solar panels. He then introduced David Judelson who presented Blue Selenium's plan to work with Wellfleet so that costs can be reduced for home owners and businesses. Handouts were made available: Outline of presentation⁶, Financial Incentives-Residential Solar Photovoltaic⁷, Financial Incentives-Commercial Solar Photovoltaic⁸, Solar Electricity as a Service⁹, The FAQs on SRECs¹⁰, Simplifying Solar¹¹ **Ouestions asked:**

<u>Can seasonal home owners benefit?</u> Yes, we can work out proposals for seasonal homes. It sounds like your proposal is to educate the people in Wellfleet, does that mean that you would have an exclusive to the solar panels sold in our town? No, we would present the benefits to purchasing in bulk so that it would reduce the costs to the people purchasing roof mounted solar panels from our company.

Can your company help us to determine if this makes sense logistically and financially? Yes, we can survey Google Earth to try to determine how many homes may benefit. We can educate people to know what to look for such as south facing orientation, 9-3 sun, and how much shade. We can even send crews to do site planning if a location seems viable.

<u>Can non-residents get a 30% federal tax credit and get SRECs?</u> Yes, but they don't get the MA tax credit.

How do resident home owners benefit from MA tax credit? If a home is valued under \$400,000 then home owners may be able to get up to \$4,000 in MA tax credits. If more, then less.

Can you assign your excess energy produced to a charitable organization for a tax benefit? Yes

<u>Can you assign your excess energy production to another property?</u> Yes, as long as it is in the same town or load zone. People do this. They can do so with a business property and home, or with a rental property and primary residence. Net metering is basically a form

that you can fill out and can assign for example 10% to another meter. It is not a complicated thing to do if you are producing more than what you are using. From what I read, the overall energy from solar in the US is very small is that correct? Yes

What percentage of energy efficiency can our town expect from a 250 kW LSGMSPI? If you take a well sited system you can multiply it by 1.25.

What does the average house use? The average is 800 KwH per month.

What about the maintenance and efficiency, snow removal, cleaning, etc? Yes, we do recommend that people do clean the panels. They will be more productive if they are cleaned. Example was given about pollen season and reduced productivity. You can hire a window washer to clean the ground mounted solar panels.

Are there cleaning products for solar panels that do not damage the environment? There are products that meet that requirement.

What about salt spray? The panels that we use are rated for salt spray.

You would do the site planning and the engineering, would you give the town a guarantee that we would be able to produce the amount of energy that you estimate? That is not generally something that we do. We could entertain that...We have not had a system that has produced less than what we have estimated thus far.

Since the Energy Committee has a responsibility to the town, the people in our community and the future, this is an important decision. What is the benefit of moving forward with a large solar project when natural gas prices are as low as they are, with a projected huge supply and prices projected to remain low? The average price of electricity has gone up about 4-5% over the past 30 years. For the last 3 years we have seen it go down a bit. That is not something that is anticipated to last or continue. Where are you getting that information? Solar News [The solar industry publications] The benefits of solar, continued: Payback 5-7 years now, in the scenario with energy prices lower, the pay back is 11 years. So it is still a benefit since solar panels last for about 20-25 years. Challenges are in coming up with the up front monies. PPAs come in handy. Loans also come in handy.

Do you have any information about the benefits of solar over natural gas regarding the overall cost to the environment? Over the 25 years you have produced a lot of energy that did not pollute. The panels and the micro inverters are guaranteed for 25 years. What about the panels themselves and the other parts, are there toxic elements and if so, and what is that cost to the environment? There may be some recoverable materials in 25 years. They are not recycled now.

Chair Marcus Springer stated that at one time the WEC worked out that the system proposed in the LSGMSPI bylaw [a 250 kW system] would power 50% of the energy needs for the town owned buildings. He asked the company to provide information on municipal projects.

Introduction of Mary O'Donnell, President and Michael Frenette, CFO of No Fossil Fuel, LLC: Chair Marcus Springer introduced the guests from No Fossil Fuel, LLC.

Presentation and discussion: Ms O'Donnell gave an overview of her company. "We have 6 MW of solar that we are building in Dartmouth and 4 MW we have permission to build in Marshfield... It is a net metering credit. It is a very complicated business. In this instance, although the power goes to the grid it is almost like going to the super market and buying a card for a \$100, a gift card, but instead of it being worth \$100, it's worth \$113 worth of goods because you do get paid a premium for making renewable energy credits. What we do is we sell the credits at a discount so that you get the delta to pay your bill with...Right now [energy costs] are 12.15 cents per KwH. When we started it was 13 cents... The predictions are that it will go up." Question was asked as to how much energy Wellfleet needs to power the town owned properties. The answer was thought to be approximately 1 MW. "The down side is if natural gas, which is a fossil fuel and kills people, continues to go down, then there is some danger in that." "I am after municipal accounts." Power purchase agreements are signed with towns.

Questions asked:

with NStar.

What does your company do? We sell power to towns. You don't get the power, you get the credit for buying the power.

Why are you coming to Wellfleet? We need towns in the SEMA (Southeastern MA) load zone.

How are you saying that a town will save a lot of money by working with you? It is based on the price of electricity will go up. A town will not save very much in the first years, but over 20 years the price will go up.

<u>Do you have a written pro forma?</u> We are not big on printing, we don't bring anything. <u>Members of WEC asked for handouts</u>. Ms. O'Donnell and Mr. Frenette said that they do not have handouts but would email a website that shares files. Information they are presenting is not on their website. [To date no information has been sent.] <u>How do you make your money?</u> It is all SRECs, but it is necessary to sell the credits in order to move forward with the project and make money to move forward to putting up the next large scale solar array project. There have been issues with the interconnections

We are worried about our interconnections with our capped landfill and NStar, do you think that is warranted? You should be. You pay the interconnection which is not cheap. A scenario was painted with our town going down the path to build a solar array on our landfill and to expend monies for consultants, etc. with NStar saying to our town that it will cost a huge amount for the interconnection. You can fight it but it is very expensive to do so.

Chair Marcus Springer stated that the WEC past calculations projects that the interconnection fee with NStar will be around \$150,000.

Discussion during presentations: Chair Marcus Springer and other WEC members spoke to the guest's questions regarding WEC next steps stating that there are several companies that want to talk with us. WEC members will then conduct additional research which includes the goals to:

- •Educate ourselves in general about solar options, the hardware, software and financing both for roof mounted panels and for a potential LSGMSPI at the landfill area
- •Research how many homes are sited properly to take advantage of solar panels
- •Find out what other areas in town solar panels are possible, i.e. small businesses, etc.
- *Discuss what plans make sense logistically and financially

WEC will discuss the next steps after research is conducted. If the WEC thinks this makes sense logistically and financially we will most likely bring this to our Town Forum Committee to see if they have an interest to hold a Forum Meeting on this topic.

Chair Marcus Springer talked about other ideas he has for solar projects in Wellfleet.

Discussion following presentations: The WEC members expressed that the backgrounds, customer satisfaction and neighbor satisfaction needs to be researched before any next steps are taken with any vendor who makes a presentation to WEC.

Motion: Chair Marcus Springer moved to adjourn the meeting at 8:39 p.m. Charles Cole seconded, and the motion carried 5-0.

Respectfully submitted,

Lilli-Ann Green, Committee Secretary

¹ Draft Minutes of the 9-17-12 WEC

² Draft Letter to BoS

³Memo regarding questions for NStar

⁴Memo regarding solar companies interested to meet with WEC

⁵Communication with DOER regarding waiver to GCA criterion 1

⁶Outline of presentation

⁷Financial Incentives-Residential Solar Photovoltaic

⁸Financial Incentives-Commercial Solar Photovoltaic

⁹Solar Electricity as a Service

¹⁰The FAQs on SRECs

¹¹Simplifying Solar

¹²Memo from Planning Board to Chair of WEC

¹³Draft PV bylaw from Planning Board