

Minutes Rye Energy Committee Special meeting on 2/28/20

Attendees

Tom Pfau, Lisa Sweet, Howard Kalet

Meeting started at 1:10 pm at the Library

This meeting was called to obtain Tom's latest information and review prior to our regularly scheduled meeting next week, which he will not be able to attend.

Key items discussed were the Solar Energy proposal, PPA and MLP, (municipal lease purchase) options, prior to the BOS meeting and ReVision presentation on March 23.

The assumptions made for these discussions were that delivered power from Eversource would increase by 1% per year, less than the 3% projected by ReVision. Excess power required beyond what the proposed PPA would provide, would be priced at 0.116 per kWh in year one based on ReVision projections. A table was developed that suggested substantial savings in year one with the PPA.

The MLP would be more costly unless the solar installation was roughly 30% lower without the PPA, which appears to be unlikely.

Unfortunately, MLP financing would only be for new installations. One question to be resolved is would the MLP financiers potentially finance a hybrid financing scheme, where it would be a PPA for the first 6 years and then transition to a MLP for the remainder of the term?

Sizing the installation more closely to the actual requirements potentially will likely reduce the costs of the system purchase. A detail to hash out later on.

Another question for Ned would be if potentially starting the garage in 2020, qualify the full project for Safe Harbor provision and extend the 26% tax exemption into 2021?

A review of this table is proposed to be reviewed and presented with Ned, from Revision around March 16th, a week prior to the BOS meeting on the 23rd.

The goal of the planned BOS meeting is a preliminary Finance Board review, understanding that the costs of solar panels and tax exemptions will be different in 2021, which will require another Finance Board review prior to finalizing any plans for a potential 2021 Warrant Article.

Our regularly scheduled meeting is on March 3.

The meeting closed at 2:50 pm.