

ENERGY COMMITTEE
TOWN OF SOUTH WINDSOR

Minutes

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August 16, 2016

Madden Room – South Windsor Town Hall

1. Call Meeting to Order

The meeting was called to order at 4:39 p.m.

2. Roll Call

Members Present: Larry Brown, Resident
Hank Cullinane, Resident
Mike Gantick, Director of Public Works
Deputy Mayor Carolyn Mirek, Town Council
Councilor Janice Snyder, Town Council
Sherman Tarr, Resident
Stephen Wagner, Resident

Members Absent: Richard Grigorian, Resident
Patrick Hankard, Board of Education
Councilor Edward Havens, Town Council
Athena Loukellis, Resident
Richard Stahr, Board of Education

3. Approval of Minutes (March 1, 2016, April 5, 2016, May 17, 2016 and July 19, 2016)

Mr. Brown made a motion to approve the minutes with amendments to the July 19, 2016. Councilor Snyder seconded the motion; and they were approved, unanimously.

4. Next Meeting

The next meeting is scheduled for Tuesday, September 20, 2016.

5. Old Business

None

ITEM:

6. New Meeting

A. LED Streetlights Update

a. Update

Mr. Gantick explained that he has recently learned that while initiating the program to shut off 1/3 of their streetlights, Torrington received complaints from residents and they ended up not turning off the streetlights. Mr. Gantick stated that he could not find any data regarding any other Town abandoning streetlights, although there have been studies in Europe and Canada. The Town Attorney has a concern regarding liability if there were an accident when the streetlights are shut off. Mr. Gantick felt that this is a viable option that can save the Town money. There was a discussion held regarding a number of roads where lights could be turned off but that would need to be decided upon by the Council. The Town was informed by Eversource that the net book value would be good as long as the Town closes by August 24th. The Town still needs to finalize the contract and will probably not be able to close by August 24th.

Answering questions from Committee members, Mr. Gantick explained that the six month period which is approved by PURA ends up being on August 24th. The Town will have to request a new net book value. The numbers will have to be reviewed again if the closing doesn't happen. The Attorney's will need to prepare closing documents and the other items that will need to be done are to purchase the lights, finalize the contract with Ameresco and get the financing in place.

Committee members discussed the possibility of the cost increasing when getting a new net book value. Mr. Wagner felt there are areas where lights could be eliminated to make the cost decrease. Mr. Gantick noted that another concern that will need to be addressed is the color of the lights as noted by the American Medical Association.

Mr. Wagner explained that the Town will buy the lights from Eversource. Ameresco will order the new fixtures and eventually install them. There is a period where the Town owns the lights but the LED's have not been installed yet. During that time, the Town will receive half of the savings because of the rate. The savings could be even more because the Town will not be paying for the financing yet.

ITEM:

6. New Meeting

A. LED Streetlights Update

a. Update (*Continued*)

Mr. Gantick stated that the Town Attorney will need to be contacted regarding problems with underground facilities for the decorative lights. Something should be written in the purchase agreement with Eversource. There is a 10 year warranty on these fixtures.

b. Plan for Community Outreach

Committee members felt that the following methods should be used in order to inform the public regarding the streetlights:

- Twitter
- Facebook
- Website
- Mailers
- Public hearing
- Press release
- Signs around Town
- Journal Inquirer
- Hartford Courant
- Sending information to civic organizations.
- Sending information home with children from school.

Committee members discussed the maintenance of the streetlights. Mr. Gantick stated that Ameresco gave the Town a price of \$124,000 but there are other companies that do the maintenance also. Mr. Gantick suggested that this function be looked at through a regional approach.

The committee discussed the payback period of this project which is 5.17 years.

The committee discussed the lights on State roads, and Mr. Tarr stated that it makes no sense to pay for streetlights on State roads.

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ITEM:

6. New Meeting

B. Virtual Net Metering

a. Update

Mr. Wagner explained that there are no new updates on the Lodestar proposal.

Committee members then reviewed the PPA Business Terms with Greenskies as shown in attached **Exhibit A**. This proposal is a combination of solar and virtual net metering projects.

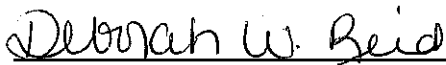
7. Miscellaneous

None

8. Adjournment

The meeting adjourned at 5:35 p.m.

Respectfully submitted,



Deborah W. Reid
Clerk of the Council



In a Power Purchase Agreement, South Windsor agrees to purchase 100% of the energy produced by the Solar Arrays. All responsibilities concerning the Arrays shall be borne by Greenskies and its affiliates. General descriptions of the terms of the PPA are found below.

The business terms set forth herein have been created with the underlying assumption that Greenskies will install, service, maintain, and monitor Solar Arrays ("Arrays") owned by a Special Purpose Entity ("SPE") on certain property owned by South Windsor ("Project").

1. PROPERTY

The certain properties owned by South Windsor at:

- **Water Pollution Control Facility** – 1 Vibert Rd, South Windsor, CT
- **South Windsor High School** – 161 Nevers Rd, South Windsor, CT
- **Timothy Edwards Middle School** – 100 Arnold Way, South Windsor, CT
- **Pleasant Valley School** – 591 Ellington Rd, South Windsor, CT
- **Orchard Hill School** – 350 Foster St, South Windsor, CT
- **Eli Terry School** – 569 Griffin Rd, South Windsor, CT
- **Town Hall** – 1540 Sullivan Ave, South Windsor, CT

2. INSTALLATION

Greenskies will be responsible for properly engineering the Arrays and the installation of the Arrays to the Property. Prior to installation, Greenskies will acquire approval from all appropriate state, utility and municipal committees and institutions for permitting, net-metering and grid-interconnection purposes.

3. PPA

South Windsor will enter into a PPA with an SPE to contractually obligate South Windsor to purchase 100% of the electricity produced by the Arrays. The SPE will sell to South Windsor all electricity produced by the Arrays during the term of the PPA, at the price per kilowatt-hour specified in Exhibit A-PPA.

4. TERM

The initial term of the PPA shall be for 20 years. Following the conclusion of year five (5) of the PPA, South Windsor shall be provided with an option to purchase the Arrays from the SPE at a price and upon terms which are to be determined in the PPA. After the 20-year initial term South Windsor will have the option of: (a) purchasing the Array at fair market value; (b) extending the PPA for an additional 5 years; or (c) requesting Greenskies to remove the Arrays at no cost to South Windsor.

5. PPA CONTINGENCIES

The performance of Greenskies' responsibilities under the terms of the PPA shall be subject to the following contingencies:

- Acceptance by the local power company of a utility interconnect
- SPE to acquire requisite state-level incentives in applicable EDC territory
- Approval of the Project by all applicable state, local and federal permitting authorities.

6. DELIVERY

The Arrays shall be live and online within 365 days of the acquisition of state-level incentives. Upon actual delivery, South Windsor shall become immediately responsible for the payment of the price per kilowatt-hour of the electricity generated by the Arrays as they are commissioned by appropriate state and utility authorities.

7. GREENSKIES' CONTINUING RESPONSIBILITIES

It shall be the ongoing responsibility of the SPE and Greenskies during the entire Term of the PPA, to repair, service, maintain and monitor the Arrays. Such services shall be at no cost to South Windsor who has only a responsibility to purchase the electricity produced by the Arrays at the agreed-upon rate. The SPE will also provide South Windsor with online, real-time monitoring of the electrical generation of the Arrays for the term of the PPA.



Exhibit A

Solar Output	Site 1: 1,134,000kWh/Year Site 2: 801,200kWh/Year Site 3: 733,700kWh/Year Site 4: 288,239kWh/Year Site 5: 253,800kWh/Year Site 6: 176,700kWh/Year Site 7: 39,800kWh/Year	<u>Source:</u> PVsyst— Proprietary PV Array Modeling Software
Average Commercial Utility Rate	Site 1: \$0.14 kWh Site 2: \$0.14 kWh Site 3: \$0.14 kWh Site 4: \$0.14 kWh Site 5: \$0.14 kWh Site 6: \$0.14 kWh Site 7: \$0.14 kWh	<u>Source:</u> Price per kWh is estimated through the Town of South Windsor. \$0.14 is the avoided cost. Retail rate is closer to \$0.16 Cents.
Utility Inflation	2.5%	<u>Source:</u> In a ten-year span (1999-2009) the Office of Legislative Research found an average inflation rate of approximately 5.70%. See, McCarthy, Kevin E., Connecticut's High Inflation Rates and the Legislative Response, 2010. http://www.cga.ct.gov/2010/rpt/2010-R-0015.htm
Total Savings (by year 20)	Site 1: \$2,316,614 Site 2: \$1,636,747 Site 3: \$1,470,859 Site 4: \$605,332 Site 5: \$547,532 Site 6: \$381,200 Site 7: \$63,083	<u>Cumulative Savings</u> \$7,021,368