

ENERGY COMMITTEE
TOWN OF SOUTH WINDSOR

Revised Minutes

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February 13, 2018

Madden Room – South Windsor Town Hall

1. Call Meeting to Order

The meeting was called to order at 4:37 p.m.

2. Roll Call

Members Present: Hank Cullinane, Resident
Robert Dickinson, Resident
Mike Gantick, Director of Public Works
Councilor Jeffrey Glickman, Town Council
Athena Loukellis, Resident
Councilor Janice Snyder, Town Council
Sherman Tarr, Resident
Stephen Wagner, Resident

Members Absent: Larry Brown, Resident
Councilor Jeffrey Glickman, Town Council
Councilor Mary Justine Hockenberry, Town Council
Patrick Hankard, Board of Education
Anitha Ramasamy, Resident
Richard Stahr, Board of Education

3. Approval of Minutes (December 12, 2017 and January 9, 2018)

Mr. Dickinson made a motion to approve the minutes of December 12, 2017 and January 9, 2018. Mr. Gantick seconded the motion; and the motion passed with Councilor Snyder abstaining.

4. Next Meeting

The next Energy Committee meeting is scheduled for Tuesday, March 27, 2018 at 4:30 p.m. in the Madden Room.

5. Business

A. Election of Officers

Councilor Snyder made a motion to elect Stephen Wagner as Chairperson of the Energy Committee. Mr. Loukellis seconded the motion; and it was approved, unanimously.

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ITEM:

5. A. (Continued)

Mr. Gantick made a motion to elect Hank Cullinane as Vice Chairperson of the Energy Committee. Councilor Snyder seconded the motion; and it was approved, unanimously.

B. Effect of State and National Policy Changes

a. Open Discussion

Chairman Wagner explained to the Committee that the federal government would be applying new tariffs on foreign panels which will increase the cost of solar projects. Chairman Wagner stated he sent the Committee the pertinent information from the article, as shown in attached **Exhibit A**.

Committee members reviewed the State of Connecticut's eight comprehensive energy strategies which are as follows:

- Ensure sustainable and equitable funding for energy efficiency.
- Advance market transformation of the energy efficiency industry.
- Grow and sustain renewable and zero-carbon generation in the state and region.
- Expand deployment of all cost-effective distributed generation ("behind the meter") in a sustainable manner.
- Continue to improve grid reliability and resiliency through state and regional efforts
- Reduce transportation greenhouse gas emissions by accelerating adoption of low-and zero-emission vehicles and strengthening alternative-fueling infrastructure.
- Increase mobility, connectivity, and accessibility by advancing smart-growth, mixed-use transit-oriented development, and innovative transportation partnerships.
- Modernize the grid.

ITEM:

5. Business

G. Energize South Windsor

Mrs. Loukellis explained that the Home Energy Solutions program has not ended, but Eversource will not be providing any marketing support, events, or telephone numbers for selected vendors. South Windsor will have to coordinate our vendors and the Home Energy program will continue at a cost of \$149.00.

Committee member discussed cleaning up the website by taking phone number off of the site and placing a disclaimer on the website stating the program is no longer supported by Eversource so that the Town is not liable. Chairman Wagner suggested talking to the Town Manager and Town Attorney on how this should be done. Mr. Gantick added that the price needs to be changed on the website also.

C. Virtual Net Metering

a. Update

Chairman Wagner stated that the Board of Education is not interested in placing solar on schools at this time. There have been discussions regarding the construction of a carport at the Police Station, and Chairman Wagner questioned the Committee if they would be interested in this type of project. It would cost the Town money to have a project like this, but it would benefit the Police Department.

Councilor Snyder stated that she does not know if there would be support from the Town Council if there are no cost savings. Chairman Wagner explained that the Town has savings from the streetlights and that savings could be used to offset the cost of the solar carport. Committee members discussed how the process would work and felt that everything regarding the construction and payment of the carport should be spelled out in a contract.

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ITEM:

5. Business

E. Food Waste Processing by Anaerobic Digester and Controlled Environment Agriculture

- a. *Possible Tour*
- b. *Wellesley, MA Pilot Program*

Mr. Cullinane explained that the Town of Wellesley invited an additional 300 households to participate in its pilot program to assess the viability of a food waste drop-off program at the Recycling and Disposal Facility. The program ran for twelve weeks and will cost \$150.00 to \$165.00 per ton to get rid of the waste. There was only one bad comment.

F. Small Business Outreach Effort

- a. *Discussion on whether to select and sponsor a vendor*

Councilor Snyder suggested that this Committee reach out to Chamber of Commerce to see if there are any small businesses that may be interested in participating in programs for energy improvements. Chairperson Wagner said he felt this item could be discussed further at the next meeting.

6. Miscellaneous

None

7. Adjournment

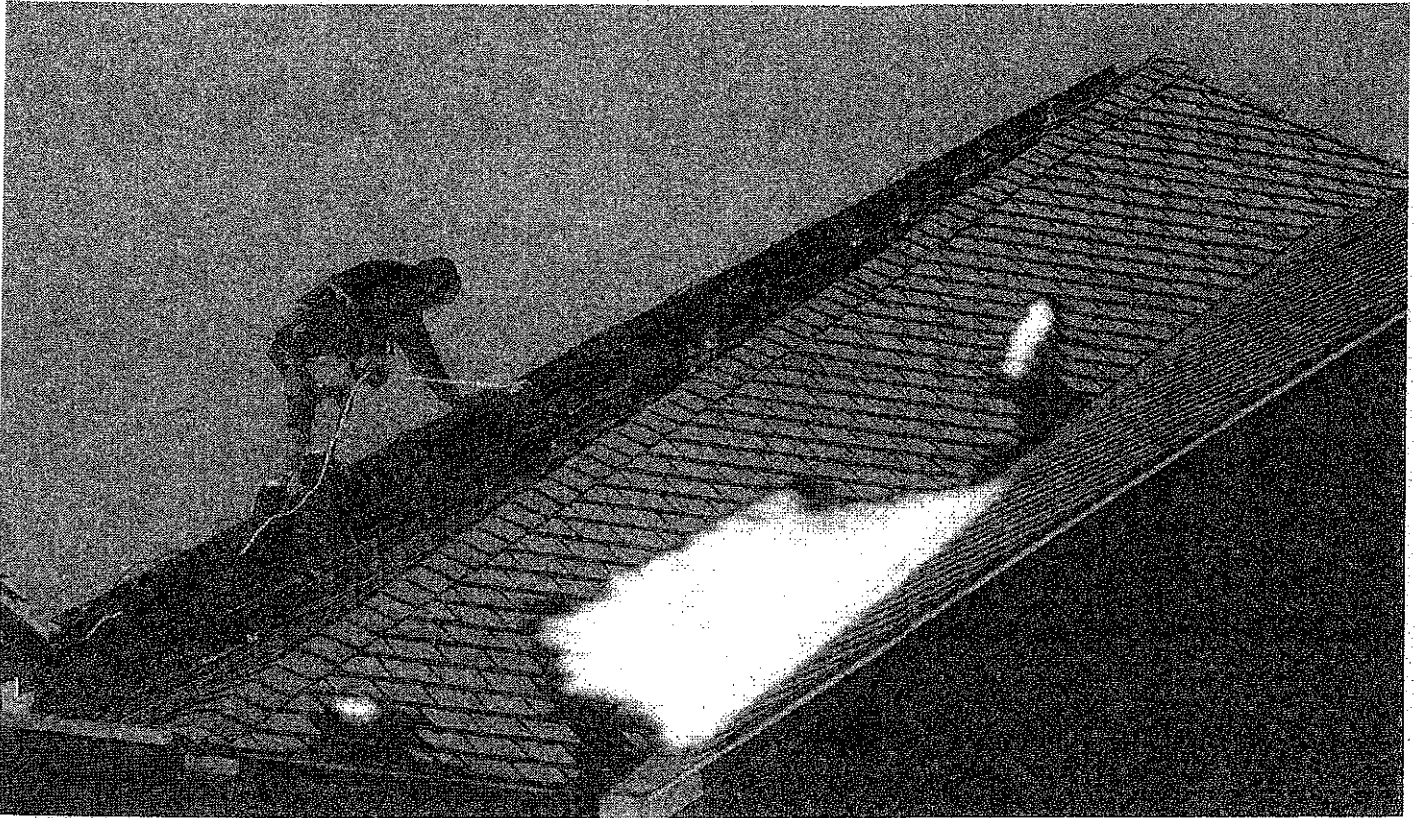
At 5:32 p.m. Mr. Cullinane made a motion to adjourn the meeting. Mrs. Loukellis seconded the motion; and it was approved, unanimously.

Respectfully submitted,



Deborah W. Reid
Clerk of the Council

Connecticut Solar Companies Pinched By New Tariffs On Foreign Panels



Samuel Roman, of Sunlight Solar Energy Inc. in New Haven, secures his footing on the roof of the Greater Hartford Jaycees community boathouse in Hartford on Jan. 3 as he installs rails, bracketing and wiring for solar panels. (Patrick Raycraft / Hartford Courant)



By Rebecca Lurye

FEBRUARY 5, 2018, 6:00 AM

Connecticut's faltering solar industry took another hit this month with the imposition of new tariffs on solar panels made outside of the United States.

The new 30 percent duties on most foreign-made panels were announced by President Donald Trump a couple of weeks ago, over the objections of the national solar trade group, in an attempt to help American manufacturers compete with cheaper imports.

While solar businesses and advocates say the tariffs will cost jobs and renewable energy projects across the country, they may also dampen a market already shaken by a proposed update to Connecticut's Comprehensive Energy Strategy.

"The need is to grow the solar market in Connecticut and deploy solar at a faster rate," said William Dornbos, advocacy director and senior attorney of the Acadia Center. "The draft energy strategy in combination with the federal solar tariff are almost exactly the wrong set of things for doing that. Certainly, they're going to throw up barriers."

The Acadia Center, Connecticut Fund for the Environment, Clean Water Action and other groups oppose portions of the state's update, which they say will weaken efforts to reduce emissions and kill solar jobs.

The draft plan, which is being finalized over the next few weeks, would limit the combined power generated by rooftop home solar installations and eliminate net metering, the process homeowners use to sell excess solar power to utilities, says Dornbos.

Now, as local solar businesses await the final update, they're also raising their prices and scaling back plans for growth to survive the new tariffs on foreign-made parts, which account for about 80 percent of solar panels used by American companies, according to The Solar Energy Industries Association.

The research firm Wood Mackenzie, formerly Green Tech Media Research, now estimates that Connecticut will install just 749 megawatts of solar energy between 2018 and 2022, down from 857 megawatts without the tariffs — a 13 percent reduction.

Rebecca Waldo, who co-owns Waldo Renewable Electric in Old Saybrook with her husband, says she expects to lose some potential customers in the coming months.

"As much as I want it to be about saving the planet and lowering emissions, it's really about the price and what financial benefits there are by going solar," she said. "Increasing the bottom line is going to make it financially less attractive to customers."

The tariffs will raise project costs by about \$0.10 per watt, or \$100,000 per megawatt, a hike that could quash efforts to put solar panels on large commercial properties or build new solar farms.

Business leaders like Vivint Solar CEO David Bywater, whose company has a location in North Haven, tried to fight the tariffs by testifying last month before the U.S. Trade Representative. Bywater called the duties "a direct attack on American workers" and would "hold the country's energy future hostage."

Now that the tariffs have been enforced, Vivint Solar and Connecticut's other 186 solar companies are trying to move forward.

"It's a phenomenon that will impact everybody across the United States," said Stanley Chin, president and CEO of Greenskies, a Middletown renewable energy company sold in December to California-based Clean Focus. "When you're talking even one or two cents more per watt per panel, it can make or break the project."

Connecticut's solar boom is relatively recent, and the state's industry ranks 18th nationally, an improvement from 21st in 2016, according to SEIA. The trade group credits that success to the Connecticut Green Bank, which helps finance renewable energy projects for homes, businesses and municipalities.

The state also boasts nearly \$1.2 billion in solar investment and 2,100 solar jobs, most of them in installation, development, distribution and other non-manufacturing work, like financing, engineering and legal support.

But the new tariffs are forcing executives like Chin to hold off on growth. Hiring is off the table for his 40-person team in Middletown, he said.

"It definitely has an impact on our bottom line," Chin said.

Still, he and other business leaders said the industry should be able to absorb the blow of higher panel costs, particularly in the Northeast, where people are motivated by concern for the environment and high electricity costs.

In 2015, Connecticut had the second highest average electric costs in the country, after Hawaii, at about 17 cents per watt, according to the most recent data from the U.S. Energy Information Administration.

Those factors will still exist when the tariffs expire in four years, said Mike Perna, marketing vice president of Con Edison Solutions, which owns Ross Solar in Danbury.

That's why the company isn't changing its plans to grow in 2018.

"It may slow us down but we'll recover quickly," Perna said. "I think the industry will survive this. It should be more of a bump in the road than hitting a wall."

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Why shouldn't (customers) get the benefit of the lower cost of technology and efficiency we've all been working on?

— Ann Hoskins, SunRun chief policy officer

An increase in cost by a cent per watt won't offset the huge price reductions that have occurred over the last few years, said Anne Hoskins, chief policy officer of California-based SunRun, a residential solar company that opened its Hartford location in 2015.

In Connecticut, solar costs have fallen 55 percent since 2013, according to SEIA.

But Hoskins argues that the market should decide prices, not a government agency or the president.

"Why shouldn't [customers] get the benefit of the lower cost of technology and efficiency we've all been working on?" she said. The tariff is "just an artificial constraint that we don't think will increase manufacturing jobs but will have an impact on the access to solar across the country."

If anything, the new tax has some solar local companies soured on domestic-made products from companies like First Solar, a Tempe, Ariz.-based manufacturer that supported the tariff.

Mickey Toro, owner of C-Tec Solar of Bloomfield, said he isn't sure he'll continue offering First Solar's panels, which — like all American-made panels — are too expensive for most customers. And even First Solar produces the vast majority of its parts in Malaysia, though it makes a type of panel that's exempt from the new tariffs.

Toro raised his prices for installation a few months ago in anticipation of the new tariffs. He said it's caused a small slowdown in business, and, like others in the industry, he's disappointed in the Trump administration's decision, which he called a "misguided" attempt to save a few hundred manufacturing positions at the expense of hundreds of thousands of other jobs.

"I don't think they understood it or cared to. The tariffs, they're not good for anybody," Toro said. "But overall, we'll survive."

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