

Eliot Energy Committee

August 9th, 4:30 PM

Small Meeting Room

Membership:

Christine Bennett

Albert Libbey

Edward Henningsen

Rich Matlack

Nicholas Lillis (Student Intern)

MINUTES

Ed Henningsen, Christine Bennett, Al Libbey, Jack Murphy, Dana Lee, Nick Samson (Re-Vision) & Jim Tessier - Public

1. Call to Order: Ed called the meeting to order at 4:34 pm with all present except Rich Matlack.
2. Public Comment: There was none
3. Review / Approve Previous Minutes: Passed by.
4. Landfill Solar Project – Ed, Christine and Dana
 - a. Update on present status of project.
 - b. Agreement with Barrington Power was ended.
 - c. Meeting with ReVision

Ed kicked off by reminding all that we had recently sent a letter to Re-Vision explaining that we could not come to terms with Barrington, and expressed what those concerns were that had come from Board feedback, primarily the Chairperson. How will Re-Vision address FMV? They use net present discounted future revenue stream as a basis. It is used in the buy out schedule at year 7 and they use 3%. We could have an independent 3rd party appraisal in the contract but would be asked to pay the greater of the two estimates. In other words year 7 through 20 at the contract rate of the value of electricity predicted to be generated. Al pointed out that offsets all our possible earnings through year 20 – but Re-Vision expects it will continue to generate power for 15 or more years. It was pointed out that Ed said it appeared that FMV under that method usually is 50% of install cost. Nick said he would get that number from his Finance people. He notes that they also add in their operating expenses incurred during their ownership.

The biggest “gambles” are what happens to net metering after 15 years, and whether we can get the votes to buy out the system at year 7 when we can save significant money.

Nick said that due to existing commitments, the time for DEP review and legal review, he did his costing proposal based on 95% and it not being operational until 2018. Dana said that the Town’s attorneys are fast and the DEP has already studied, reviewed and

approved the project – should also be quick to amend it. Nick said he would check their work queue and see if it was realistic to have it operational by Dec.31, 2017.

95% would be locked in for 15 years. The EEC asked if Re-Vision could be contracted to continue to do O and M after we buy it. He said yes and had included the price of the 'bronze" O and M plan \$972, includes annual inspection, monthly monitoring, annual production reports, trouble shooting etc. but not mowing. Nick said that the one long section of fencing could be added into his next revised proposal and that he'd provide a listing of the bronze plan.

Jim pointed out that our project was similar to the proposed York Hospital project and could be an easy comparable?

Christine mentioned one of the other main obstacles to entering a contract for the Select Board is "what if electricity prices go down?" Could we have a circuit breaker in the contract or variable expense based on a percentage of whatever happens to the price of electricity – up or down? Nick said they like to keep it simple, and administrative tracking of all these variable contracts is too time-consuming, but that he'd check with their Finance people to see if there are options. Proposal had 11.71 cents as the rate for us.

5. Town Hall Upgrade / RFP – Dana & Ed

- a. Report on RFP analysis
- b. Next steps

Ed said that the bids indicate that the work will be between \$110,000 and \$120,000, but that in discussing the do nothing alternative it would be \$45k to \$90k just to replace what's here and would not fix the air distribution issue (still using private ACs and foot heaters) . We believe the condensing unit will be the first to go, and the two systems must be compatible and the Freon used in the old condensing unit is no longer legal or available, so likely have to do the whole \$90k and would not be adequate for any future expansion of town office.

6. Police HVAC – Ed & Dana – Not much new to report at this time.

- a. Strategy on moving forward with improvements.
 - i. Attic & duct insulation
 - ii. Sally Port ventilation

7. LED Street Light Conversion - Al

- a. Present Status
- b. Report on Al's meetings with vendors and neighboring Towns.

Al said Kittery is committed to exploring this idea with us. He proposed a meeting in late August with RealTerm, the solar vendor selected in York. He said he has three other

companies identified as well. Dana asked if he'd send his work papers along that show how it works and he'd share that info with Perry and see if they want to join as well.

8. Energy Usage Logging – Al & Rich

Al said he was missing some info and gave Dana a matrix. Ed suggested that if staff was too busy to be pulling bills all the time, that Al could go online, get our kwh for all our accounts then multiply by the existing rate being paid. The info need not be exact. Dana said that soon we will have scanners and it could become second nature to just scan all utility bills into a folder that the EEC could access or be sent to them from that folder.

9. Inactive Projects – No known budget for grants at MEMA.

a. LED Sign at Transfer Station

10. New or Other Business: Christine noted that we did not get the small grant she'd applied for and she described how to improve / focus a second effort to better ensure success. Bridging barriers to underserved population with informational brochures on simple ways to save energy money, weatherize, etc. She is attending a conference in Rockland soon on this very issue.

11. Adjourn At 5:55 pm, Ed made a motion to adjourn; seconded by Christine and so voted 3-0.