

**The Energy Commission Recommends Option 1,
Lease via PPA and purchase after 5 years.**

Let's go Solar:

Plan for the future with free & green PV solar energy array.
Once installed, the sun will provide about 95% of the town's current electrical usage.

The array on the Highway Dept Garage is a success.



Options Are:

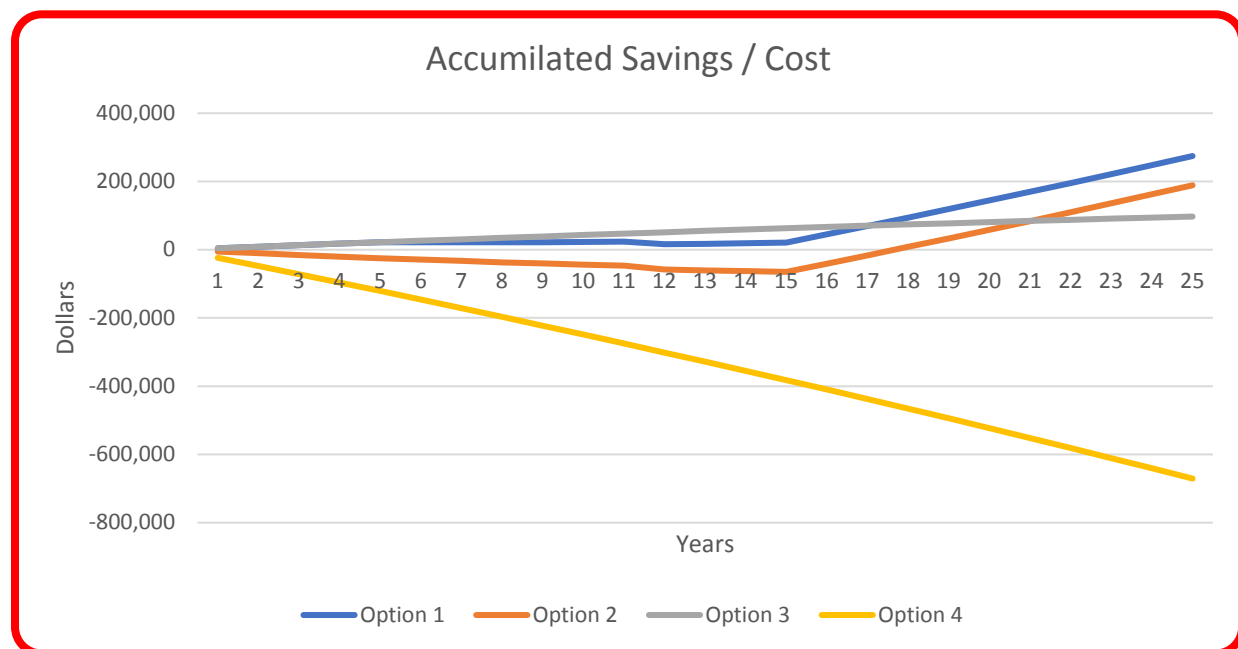
Option 1: Lease via Power Purchase Agreement (PPA) for 5 years and then purchase it.

Option 2: Purchase and own the Solar Array from day 1.

Option 3: Lease Solar Equipment via a Power Purchase Agreement (PPA) for 25 years.

Option 4: Do nothing, no solar, continue purchasing electricity from CMP.

Here is what the analysis looks like:



PV SOLAR PROJECT AT THE TRANSFER STATION LANDFILL

Town of Eliot Proposed Landfill Solar Project					
Summary of Options					
Year	Estimated Generation (KWH)	Option 1 PPA with B/O in Year 6 (\$)	Option 2 Purchase - No PPA (\$)	Option 3 Continuous Lease under PPA (\$)	Option 4 No Solar - Do Nothing (\$)
1	171,262	4,212	(5,379)	4,212	23,774
5	167,862	22,014	(24,716)	22,014	24,732
10	163,708	22,419	(43,822)	43,190	25,983
15	159,656	20,769	(64,981)	62,949	27,299
20	155,704	144,406	58,655	81,028	28,681
25	151,850	274,549	188,798	97,134	30,132
Electric Cost over 25 yrs.		(396,271)	(482,021)	(573,685)	(670,819)

What is a Power Purchase Agreement?

A Power Purchase Agreement (PPA) allows an investor/contractor to own the solar array and sell electricity to the Town. It allows them to take advantage of 30% Federal Investment Tax Credit and equipment depreciation write offs. Municipalities are not eligible for these tax benefits because they do not pay taxes. However, the Town benefits because it can purchase the facility, in the future, at a reduced cost vs. ownership from day one. Also, the investor/contractor will sell the electricity to the Town at an agreed upon rate, usually less than the Utility rate. At the start of year 6 the Town can purchase the installation at a fair market value, normally around 60% of the original cost.

Solar Power is clean, inexpensive power.

Visit the Town's website for more information about our solar projects,
www.eliotmaine.org/energy-commission.

Or, contact the Energy Commission if you have questions