

Town of Sharon
Municipal Solar Oversight Committee
Minutes for 03/27/2023 meeting held 4:30 pm to 6:00 pm on Zoom

Welcome

Committee Attendees: George Aronson (Chair), Silas Fyler, Xander Shapiro, Chris Pimental, Rob Maidman (5/5)

Guest Attendee: Allen Giles (Solect)

Approval of Minutes

Minutes were reviewed from the Committee meeting on February 21, 2023 and from the Public Meeting at the Middle School on February 27, 2023. Minutes from the Committee meeting were approved by a vote of 5-1. Minutes from the Public Meeting were approved by a vote of 3-0-1 with abstentions from Silas and Rob, who did not attend.

Status of existing projects

George reported the following:

- East Elementary School canopy. Operating. Generated 30.03 MWh in 2023 ytd, 352.32 MWh since energized on 12 July 2021.
- Heights Elementary School rooftop. Operating. Generated 41.02 MWh ytd and 574.77 MWh since energized on 30 June 2020.
- Heights Elementary School battery energy storage system (BESS). Physical work is done. Fire alarm to be connected and inspected. Eversource energization projected by April 13. Rob asked about bills and tracking savings. George has been in contact with Krishnan (Finance Director) and will ensure first bills are reviewed even in absence of an Energy Manager staff person. Silas confirmed that generation through last fall was consistent with expectations.
- Mountain Street Landfill project: Per Jackie Bruce, project manager, DSD has submitted a modest revision to the post-closure use permit to MassDEP to reflect the final lay-out. A PSOQ is in file review and expected shortly. Construction is targeted to mobilize in June 2023.
- Gavin's Pond parking lot canopy. Eversource determined that an impact study will be required. Timeline is indefinite.
- High School rooftop project. Still waiting for the Eversource interconnection study to be complete. Town has contact Eversource to expedite.
- DPW project. Allen confirmed that the LOI has been signed and agreements have been forwarded. A structural engineer will be assessing whether the weight of the rooftop solar project is sufficiently sturdy to support the added weight without added expense that would make the project uneconomic.
- Library. Project received a favorable court ruling. Additional funding will be addressed at Town Meeting. George noted that the design has included flat roof area of 4560 square feet, or about 80 kW. Solect would be approached if Town Meeting approves funding and if project proceeds without further litigation.

Middle School solar canopy project

Xander and Allen reported that the public meeting went well. See separate meeting minutes.

Allen reported on changes to project economics that emerged after further review and during preparation of the draft Letters of Intent (LOIs). In particular:

- Prior project, which was designed with capacity of 310 kWAC, did not accurately capture the SMART incentive, which is reduced for canopies with capacity of more than over 250 kWAC.
- Recent IRS guidance did not address basis for ability to qualify for the extra 10% Investment Tax Credit (ITC) as had been anticipated. Without guidance, Solect would propose a PPA rate based on a 30% ITC rather than on a 40% ITC.
- If changes are incorporated, the 310 kW project would produce negative savings compared to the assumed baseline over the first few years.

Xander, Rob and others commented that it would be unacceptable for the project to have negative cash flow in its first few years. The Committee then discussed alternatives as follows:

- Reduce the capacity to 250 kWAC to qualify for the larger incentive. Allen confirmed this would be enough to support projections of positive savings over the project term. Allen suggested eliminating the three small canopies by the athletic field. After discussion, it was agreed that a better approach would be to retain the small canopies and reduce the number of panels on the larger canopies to achieve 250 kWAC. This was agreed to be acceptable, in that it retained all key visual elements of what had been presented at the Public Meeting. The economics were less favorable than what had been presented, but so many economic factors are still in flux that the difference was considered acceptable.
- Keep the capacity at 310 KWAC and add a battery. In discussion it appeared this would be sufficient to return the project to positive savings throughout its life, although Allen would need to re-examine to confirm.
- Add a battery to the 250 kWAC project. The difference between this approach and the previous approach (310 kWAC capacity) was not immediately apparent. The Committee agreed that it would be desirable to have more solar PV capacity and to have more savings, but did not have enough information yet to evaluate the trade-off for this particular case. The project is scheduled to be presented to the School Committee on Wednesday, which does not leave time to update economics for committee discussion before then.
- Allen advised that all canopies require system impact studies from Eversource, so adding a battery would not cause the project to be delayed to perform the additional study.

The following strategy was constructed to address the above facts:

- Recommend that the Town proceed to sign the LOI for a 250-kW project edited to incorporate the revised PPA rate and supporting (reduced) projections of savings.

- Request Select to provide the Committee with analysis of the following two alternatives:
 - 250-kW canopy (capacity reduced per above) with a battery energy storage system (BESS).
 - 310-kW canopy (capacity per Public Presentation) with a BESS.
- Based on the results of the analysis, the Committee might recommend that the project be amended to incorporate a BESS and might also be designed to increase the capacity to 310 kW. Depending on timing and results of the analyses, that might involve amendment of the LOI, a separate LOI or amendment of definitive agreements.
- The differences above, while important for the LOI and definitive agreements, are too detailed to be part of a presentation to the School Committee. Rather, the presentation would be based on the 250-kWAC project, understanding that the amended project would only be pursued if there are clear benefits. Similarly, the wording of the Town warrant article is sufficiently broad that it need not address the change, although it might be prudent to add to the language a reference to a battery energy storage system.

It was moved and seconded to adopt the strategy described above as a formal recommendation to the Town Manager for presentation to the Select Board. The resolution passed by a vote of 4-0 (Silas needed to leave the meeting prior to the vote). The Chair was instructed to record the language of the resolution as per the above and to provide it to the Town Manager.

Group discussion topics

- Well #5. Allen meeting with DPW on Wednesday March 29.
- Next meeting date set for Wednesday, April 19, 2022, 4:30 pm

Meeting adjourned at 5:55 pm