

**Sudbury, MA, Energy and Sustainability Green Ribbon Committee
Meeting Minutes January 27, 2011**

OPENING:

The January 27, 2011 meeting of Sudbury’s *Energy and Sustainability Green Ribbon Committee* was opened by Chairman Bill Braun at 7:30p.m. in the Sudbury DPW Building conference room.

ATTENDANCE:

Committee Members	Attending
Rami Alwan	X
Jeffrey S. Beeler, Vice Chairman, Sudbury School Committee	X
William G. Braun – Chairman, Energy and Sustainability Green Ribbon Committee	X
Jennifer Dudgeon	X
Dean Holden	X
Edward Lewis	X
Robert Morrison	X
Mark Sevier	X
Michael E. Melnick, Co-Chairman, Sudbury Permanent Building Committee	X
Building Inspector, Town of Sudbury	
James Kelly	X
Guests	
John Shortsleeve – Bay State Consultants	X
Joe Martino – Sudbury Resident	X

Agenda:

1. Energy purchase status review & landfill solar discussion – John Shortsleeve
2. MAPC participation
3. Alternative energy planning board regulation
4. Noyes Project Update
5. EECBG update
6. Green Community projects update
7. Review and approval of meeting minutes
8. Other Business?

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1. Energy purchase status review & landfill solar discussion – John Shortsleeve

The Energy Committee does not have decision making or negotiation authority however the town has asked the committee for an opinion on a proposed contract extension to the municipal electricity contract.

The Energy Committee was pleased to host John Shortsleeve from *Bay State Consulting* for a discussion on the Town's energy purchase contract, proposed contract extension(s) and methodologies to keep the door open for a Power Purchase Agreement (PPA) on town land.

The committee appreciates and wishes to thank Mr. Shortsleeve for his time and participation in an enlightening and energetic round table discussion.

John reviewed the overall energy market including the current mix of generating options along with historical natural gas and oil prices. According to John, New England electricity generation pricing most closely tracks natural gas pricing. Due to the overall economy and new shale gas extraction techniques current natural gas pricing is approximately the same level it was in 2004.

A high level discussion of Sudbury's electricity purchase contract was reviewed.

Major contractual points include:

- TransCanda Power Marketing Ltd. supplies Sudbury's Electricity
- NSTAR handles transmission and delivery of that electricity
- Current contract is in place thru December 2014
- Contract allows for renewable energy to be situated at municipal sites / roofs to supply electricity for onsite usage.
- Current contract does not specifically allow / address PPA agreements the town may wish to enter into

Although the town is currently paying above spot price for electricity - John stated the town has saved approximately \$500,000 vs. paying spot market for electricity over the last 6 years of the current contract.

At this point contracts for electricity can be locked in at approximately 2004 prices for the years 2015 & 2016. Bay State Consulting group is advocating that Sudbury extended our purchase contract to cover one or both of those years.

Significant discussion revolved around the pros and cons of extending the contract.

Pros include:

- locking in a price considered to be historically low
- allowing the town & SPS to more accurately forecast and budget for energy costs

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Cons include:

- locking in a price that may go lower (currently Sudbury is paying above spot prices)
- lack of flexibility / negotiating leverage if long term contracts are locked in at this time
- current contract terms are not flexible regarding possible town PPA activities

Both the committee and John agreed that no one can accurately predict future energy prices and trends.

Significant discussion revolved around John suggesting an option that he believes would allow the town to enter into a large scale PPA agreement without violating the current contract.

This would be thru the use of the Net metering. (Net metering is a state regulation allowing customers to receive credit from the utility company when their eligible on-site distributed generation (such as a wind turbine or solar array) generates more electricity than they use.)

In Sudbury's case we pay NSTAR for the transmission and delivery (T&D) of the electricity we purchase from TransCanada. The electricity generated from a PPA could be fed back into the grid and we would receive credit toward the T&D portion of our electricity bill.

From a basic, preliminary calculation it appears that Sudbury could entertain a 2 MW PV facility and utilize the Net Metering credit from that to offset a significant portion of our NSTAR T&D charges. However, the committee has several concerns with this approach.

Municipal Power Purchase Agreements are still embryonic and there is significant and evolving legislation and government regulation in this area. The current legislation has been favorable to renewable energy (including adoption of Net Metering) and it is believed this process works with current regulation but that could change if regulations change.

The utilities are only required to purchase a set percentage of power thru net metering – large scale adoption of renewable energy projects could impact individual net metering purchases.

PPA's are typically long term contracts, in the region of 10 to 20 years, so a viable long term solution and focus is required.

The committee believes it would be desirable to have contract language that did not preclude the town utilizing PPA electricity without relying on Net Metering. Mr. Shortsleeve's professional opinion is that he has not seen that clause in a municipal contract before and expects it would not be well received by any of the five power supply companies he works with.

At this time it is the committees' opinion that more research and discovery needs to be done to fully understand all PPA and pricing implications before it is in Sudbury's best interest to extend the current contract.

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2. MAPC participation

The Metropolitan Area Planning Council (MAPC) has announced the launch of three new energy-related technical assistance programs.

These include:

- regional procurement of an Energy Services Company (ESCO)
- regional procurement of a renewable energy preliminary site analysis firm
- regional energy manager/circuit rider

Sudbury has been invited to participate in this program.

The Committee feels this could be beneficial to the Town's Energy mission and there is no cost to participate in the programs. The town would be responsible for the cost of any services they may wish to purchase under the regional contracts. These would be purchased thru the town's standard budgeting and procurement processes.

Action:

Jennifer has volunteered to review the MAPC offerings and review with the committee any applicable programs.

3. Alternative energy planning board regulation

Sudbury's Planning and Zoning Boards have had some preliminary discussions about renewable energy uses and are interested in the Energy Committee's feedback on the possible need to regulate these uses so that they do not become residential nuisances.

Action:

Jody K. will attend an energy committee meeting to get the discussion started – schedule TBD.

4. Noyes MSBA Green Repair Update

Energy efficiency and building renovation projects (roof replacement and insulation, window replacement, boiler replacement and improved controls) for the Noyes school have been submitted to and approved by the *Massachusetts School Building Authority (MSBA) Green Repair Program* for approximately a third of the cost funding assistance.

The Energy Committee has done a high level energy evaluation of the Noyes School along with reviewing a State funded energy audit of the school and the Energy Committee attendees at the December meeting unanimously approved support for this project.

The debt exclusion for this project was approved at a Special Town Meeting and at a Special Town vote and the project planning is underway.

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The Committee acknowledged and thanked Jeffrey Beeler and Mike Melnick for their extraordinary efforts working on this project.

Actions:

Jennifer to investigate Energy Star requirements to determine Noyes post-project applicability
Mark to provide thin film PV roofing information for the PBC to review

5. EECBG update

The town / PBC awarded contracts for the Fairbank Solar project to *Ostrow Electric Co* for the PV side and to *LittleFoot Energy* for the solar thermal side.

LittleFoot Energy is working to procure the bonds / performance guarantees required for municipal projects.

Some end of useful life issues and high gain energy conservation measures are going to be addressed at Fairbank before the solar work is to be done.

Preliminary schedule calls for an April 1st start date for the roof repair / replacement / insulation.

Solar PV panels have been procured and are insured and stored on-site at the vendor with installation targeted directly after roof completion.

6. Green Community projects update

- a. Status of funds – the town has received half of the committed funds from the State, the other half is contracted to be received as the projects progress.
- b. Status of projects:
 - i. Due to time limitations an update on the Green Community Projects is scheduled for our next meeting.

7. Review and approval of meeting minutes

Minutes from the December 16th meeting were unanimously approved.

8. Other Business?

Communications Sub-Group activities:

- 1) Big Belly Solar Powered Trash receptacle press release was in the January 20th edition of the Town Crier.

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- 2) The energy committee annual report was submitted to the town for inclusion into the town Annual Report

Targeted projects for the Communications Sub-Group:

- 3) Update on committee activities / progress report
- 4) Ongoing communications required by Green Communities Act

Scheduled Energy Committee Meetings: (DPW Building Conference room - 7:30 p.m.)

- March 3rd, 2011
- March 29th, 2011
- April 26th, 2011
- May 17th, 2011

Adjournment:

- The meeting was adjourned at approximately 10:15p.m.

Minutes submitted by: Edward Lewis, January 30, 2011