

**Sudbury, MA, Energy and Sustainability Green Ribbon Committee  
Meeting Minutes October 11, 2012**

**OPENING:**

The October 11, 2012 meeting of Sudbury's *Energy and Sustainability Green Ribbon Committee* was opened by Bill Braun at 7:35 pm at the DPW Building.

**ATTENDANCE:**

<b>Committee Members</b>	<b>Attending</b>
Rami Alwan	X
William Braun – Chairman, Energy and Sustainability Green Ribbon Committee	X
Jennifer Dudgeon	
Edward Lewis	X
Joe Martino	X
Michael Melnick, Co-Chairman - Sudbury PBC	X
Robert Morrison	X
Kurt Reiss	X
Mark Sevier	X
<b>Facilities Director, Town of Sudbury</b>	
James Kelly	X
<b>Guests</b>	
Jim Walker - Ameresco	X
Hal Meyer - Ameresco	X
Elena Kleifges – LSRHS School Committee	X

**AGENDA:**

1. Landfill Solar PPA
2. Approval of meeting minutes
3. Other business

**Sudbury, MA, Energy and Sustainability Green Ribbon Committee  
Meeting Minutes October 11, 2012**

**1. Landfill Solar PPA**

The Committee wishes to thank Jim Walker and Hal Meyer from Ameresco who graciously attended this meeting to review the landfill PPA proposal and answer any and all questions from the group.

Jim reviewed the current 'state of the union' for PPA projects. The PPA environment has changed considerably over the last couple years as several of the federal incentives have changed, including:

- The 1603 Treasury grant as an alternative to the 30% Federal investment tax credit was eliminated in December 2011.
- The 100% bonus depreciation allowance was reduced to 50% in 2012.
- The 50% bonus depreciation will be eliminated at the end of December 2012.

The environment in Massachusetts has also changed considerably. Massachusetts SREC pricing has dropped dramatically; this is a major pricing factor in the PPA model.

Because of concerns about the SREC floor pricing and the MA regulatory environment several companies that previously financed PPA projects in MA are no longer. This provides additional challenge to structure deals that pass a more rigorous financing review.

Several issues regarding the PPA were discussed.

Taxation is the largest single issue that still needs to be finalized. This is a decision for the town on how they wish to proceed – any taxes levied will be passed thru in the form of higher electricity rates to the town from the PPA. It is currently believed that a payment in lieu of taxes (PILOT) may be adopted and Ameresco has factored in a \$7,000 annual PILOT payment into the model, should Sudbury choose to go that way. Ultimately, since it is a pass-thru cost, it will be of no net financial impact for either Ameresco or the Town.

Ameresco has committed to working closely with the town on the landfill's Post Closure Use Permit which is expected to be applied for in parallel with the town's application for a Closure Permit.

Ameresco has applied for the long-lead interconnect permit from NSTAR and factored in expected equipment upgrades required into the Sudbury project.

**Sudbury, MA, Energy and Sustainability Green Ribbon Committee  
Meeting Minutes October 11, 2012**

Ameresco is proud that they have completed every project they signed a PPA on. They are enthusiastic to work with Sudbury on this project; however, the deal currently on the table is their best and final proposal.

The PPA savings model was reviewed. This model is calculated with several different fuel escalation costs – with the current pricing even if electricity costs do not rise in the next 20 years the town stands to save an average of \$125,000 in annual electricity costs. This number increases if electricity prices increase, with a potential of \$240,000 annual savings if we see a 3.5% annual electricity cost increase. Another potential, and perhaps more likely, scenario models an average 2% annual increase in electricity prices at which the town would save approximately \$185,000 annually.

The Energy Committee voted unanimously to recommend the town go forward with Ameresco on the landfill PPA project.

**2. Approval of meeting minutes:**

Minutes from the September 18<sup>th</sup> meeting were unanimously approved.

**3. Other business:**

LSRHS investigation of a canopy type PV system for the parking lot was discussed after the Ameresco representatives left. This is an LS driven project however the energy committee has been asked for high level advice. The Committee believes it is a project worth further investigation and recommends that if LS proceeds they hire an attorney who is familiar with PPA agreements and hire an Owner's Agent, both to help represent the school.

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

- November 20<sup>th</sup>, 2012
- December 18<sup>th</sup>, 2012
- January 15<sup>th</sup>, 2012

**Adjournment:** The Energy Committee meeting was adjourned at approximately 9:18 pm.

*Minutes submitted by: Edward Lewis*