

Meeting Minutes

Saco Energy & Sustainability Committee

March 3, 2020

Present: Nathan Johnston, Pat Fox, Ted Gagnon, Mike Cook, Howard Carter, Mike Garrity, Jackie McDonough, Don Roth, Glenys Salas, Andrew Dickinson, Ryan Sommer, Emily Cole-Prescott, Andrew Goldberg, Kurt Penney of Revision Energy

Maine Solar Program

- Presentation given by Kurt Penney of ReVision Energy
- ReVision Energy is an employee stock owned company, Maine's largest and New England's number one solar company located in South Portland, ME with over 275 employees
- There is enough sunshine in Maine to make solar work, the same amount as southern France and Houston, TX, very little smog and haze
- LD 1711 is an act to promote solar energy projects and distributed generation resources in Maine, signed into law by Governor Mills in July of 2019
- Net energy billing credits = credit on electricity bill
- Were limited to nine meters in the past, no meter limitations now, only commercial meters can receive net energy billing credits
- The net energy billing credit is determined by the PUC every year for the next twenty years, calculated by: 100% of the standard offer supply costs + 75% of small commercial transmission and distribution costs (T&D)
- Electricity bill amounts due will not change, the net energy billing credits will be listed at the bottom of the bill which create a savings when netted with the amounts due, similar to buying a gift card at a discount (example: paying 9 cents per kWh and getting 12.76 cents per kWh of credit back)
- No changes in demand fees
- Example: \$260,000 of net energy credits on bill - \$182,000 of electricity costs = \$78,000 of annual savings
- PPA rate has a 1.5% annual escalator attached to it, gambling on 100% of the standard offer supply costs + 75% of small commercial T&D costs
- We have the "off take" that ReVision Energy needs i.e. the city of Saco has commercial electricity meters and purchases net energy billing credits from Revision Energy
- Huge opportunity for the city of Saco to become an anchor tenant of a large solar project
- Would need to sign a contract to have ReVision Energy begin the solar project development, takes about one year from the signed contract date to have net energy credits come into effect due to solar sites currently being built to meet demand only when a contract is executed
- ReVision Energy costs would not change even if the city had the land available for the solar project, ReVision Energy would lease the land from the city separate from the net energy billing credits
- Land lease rate is \$5 a kWh, which means a 5-megawatt DC site would generate \$25,000 a year for twenty-five years with two five-year extensions and a 2% annual escalator
- 1 megawatt = 5 acres
- 5 megawatts = 20 acres
- Limited to 7 megawatts DC per solar site

- No payments are made to ReVision Energy until the net energy billing credits become available, contract requires a twenty-year commitment
- The city of Saco can purchase net energy credits from a solar site located anywhere in CMP territory
- Dozens of towns and school districts have signed a twenty-year contract with ReVision Energy
- Howard Carter asked who pays the property taxes for the solar site, Kurt Penney said the investor will claim a waiver for taxes and the landowner pays the property taxes
- Contract will have a performance guarantee
- Kurt Penney thinks that electricity supply costs will be flat for the next 20 years
- Can enter into a contract for smaller amounts, example: purchase net energy billing credits for 50% of the city's electricity usage instead of 100%
- In year 2021 the investment tax credit is going from 26% to 22%, a 4% decrease
- If the city enters into a contract with ReVision Energy in 2020 the city will have an investment tax credit safe harbor of 26%
- ReVision Energy makes their income through investors paying them to develop and maintain solar sites as well as through engineering procurement and construction
- Andrew Goldberg said the city would be better off taking the net energy billing credits instead of having solar panels on city buildings which incur maintenance costs
- Ryan Sommer and Pat Fox think we should buy credits for only 50%-90% of the city's power usage

Municipal Fleet EV's

- Update given by Howard Carter
- John Wentworth is currently assisting the Water Resource Recovery Department in finding an electric vehicle to purchase or lease

ENGIE Utility Billing Software Update and School Department Participation

- Update given by Glenys Salas
- Glenys Salas to meet with Jason DiDonato and Mike Garrity to go over ENGIE utility billing software the week of March 13th or 23rd
- Would like to do an RFP for utility billing software to see what other competitors are out there, looking to start the RFP process the week of March 23rd
- Goal is to have utility billing software live no later than July 1st in order to have energy usage recorded for the entire 2021 fiscal year and going forward, consider a three-year contract
- The energy committee agrees to take the initial utility billing software implementation costs out of energy funds and then each individual department is responsible for their share of the monthly fees going forward
- Glenys Salas believes utility billing software could be cost neutral for the school department due to improved bill processing, reduced staff time and better tracking of utility usage
- Howard Carter would like to have the utility billing RFP posted by the next energy committee meeting
- Emily Cole-Prescott volunteered to assist Glenys Salas in drafting the utility billing RFP

Energy Zoning Ordinance Updates

- Update given by Emily Cole-Prescott
- A third draft of the zoning ordinance is now available online, any questions regarding the zoning ordinance should be directed to Emily Cole-Prescott

Energy Spreadsheet Updates

- Jackie McDonough has been working with Dor Bender on a biweekly basis to keep the fuel database up to date
- The up to date fuel usage spreadsheet was sent via email to the committee
- On the spreadsheet you will find a percent variance which compares the current fiscal year to the prior fiscal year, also included is the usage in therms
- The most recent school fuel usage data from Karen Merrill (the accounts payable specialist for the Saco School Department) is included in this month's fuel usage spreadsheet
- The propane usage at the train station is up 21% compared to last fiscal year due to a failed pump in the heating system which has since been replaced
- Per Don Roth, the fuel usage at the train station will continue to rise compared to last year due to the addition of the bus line
- The WRRD pump station diesel usage is up 27% compared to last year, this is most likely due to storms causing power outages which create a demand for diesel generators at the pump station

Facility Updates

- Update given by Don Roth and Mike Garrity
- The storm last week caused roof issues at City Hall which are being addressed by the Facilities Department
- Parks and Recreation natural gas heating system is working well, keeping temperature consistent in the gym
- Per Don Roth, the most recent oil bill at Parks and Recreation is around 600 gallons versus the prior bills of 1,500 gallons
- Don Roth spoke to Kelly Fowler of Unitil, planning to run the natural gas line to 12 School Street, a city owned building
- Howard Carter would like to know if the Water Resource Recovery Department is in the natural gas targeted area build-out, Don Roth to inquire
- Mike Garrity said Efficiency Maine reached out to schools and they are offering to pay 80% (up to \$100,000) to schools for LED lighting upgrades, would result in electricity savings around 30%
- Andrew Goldberg said to get new fixtures as well, not just LED tubes
- Mike Garrity would contract the LED lighting upgrade labor to Northeast Electrical
- The energy committee agrees to use \$20,000 from the energy bond toward the cost of the school LED upgrade

Bond Projects Update

- Did not address at this meeting

Committee Media Coverage

- Did not address at this meeting

City Council Energy/Sustainability Goals

- Update given by Councilor Nathan Johnston
- City council energy and sustainability goals:
 - School LED upgrades
 - LED streetlight conversion
 - Solar at new PWD building
 - Electric vehicles for city fleet
 - 50% energy from renewables
 - Zero waste policy for city, more recycling and composting

Action Items

- Ask Brian Phinney from the city of Biddeford to give a presentation on LED light conversion to the energy committee
- Kurt Penney to send list of municipal references to Howard Carter regarding net energy billing credits
- Howard Carter would like to know if the Water Resource Recovery Department is in the natural gas targeted area build-out, Don Roth to inquire

Next meeting April 7, 2020