

Town of Manlius Solar Farm Study Group

Notes of Meeting with Mike Roach, RER

May 25, 2021

Mike is a Town resident whose company installed the solar array for the Town of DeWitt.

Resources

NYSERDA

<https://www.nyserdera.ny.gov/all-programs/programs/ny-sun>

Local Government Guidebook

<https://www.nyserdera.ny.gov/All-Programs/Programs/Clean-Energy-Siting/Solar-Guidebook>

Public Service Commission

<https://www3.dps.ny.gov/W/PSCWeb.nsf/All/DCF68EFCA391AD6085257687006F396B?OpenDocument>

Policy

NYS has a policy to reduce increase the development of renewable energy production, primarily through solar and wind projects. The State provides incentive funding and tax advantages to renewable energy projects. The State has a goal to create sufficient business profitability to reduce and eventually eliminate subsidies so that renewable energy projects are commercially sustainable on their own. NYS wants to encourage a viable industry of relatively small sustainable 'homegrown' solar producers rather than lease all the space to a few large national or multi-national companies.

- New York State
 - Renewable energy incentives likely to continue
 - Goal is to develop a vibrant, sustainable LOCAL renewable power industry
- Federal
 - Tax incentives decrease a little every year
- Under Discussion
 - Value Stack/E-value
 - DEC: social cost of carbon

Project Requirements

- Site control - lease or purchase
- Utility interconnection - CESIR
- Permits - local government approval
- Financing - combination of incentives, tax credits, PILOT, subscriptions & loans

National Grid

- Initial application \$750
- Coordinated Electric System Improvement Review [CESIR] \$25,000
- There needs to be capacity on the Electric Grid
 - Community Solar = Distribution Grid
 - 60% households and small businesses
 - 40% may be commercial operations with ‘demand’ meters
 - Utility Solar = Transmission Grid
 - Commodity power
- The approval process has multiple set timeframes. National Grid generally provides approvals within the regulatory time window of +/- six months for CESIR submissions. Delays are generally NOT the fault of the utility. The Developers also have timelines they need to keep up with.
- There is an Ombudsperson to help if a project gets stalled.
 - Marie Schnitzer marie.schnitzer@nationalgrid.com 518.313.2323

Funding

Early Adopters could access; no longer available

- Market transition credit
- Community credit
- Community adder

Private Funders of Community Solar

- 40% of subscribers [one or more commercial clients] credit approved
- Robust acquisition process to obtain 60% residential and small business
- Model 105% of required revenue

Collection

- Moving toward ‘consolidated billing’
- Currently solar power providers bill separately

Investment Tax Credits

- Tax Equity inventors will pay cash in exchange for tax credits

5/28/21

I spoke with Liz Grisau of the Department of Public Service.

She clarified that the 5MW limit [used to be 2MW] has to do with the Distribution line accepting the power from the solar farm. The Utility cannot 'compensate' for more than 5MW joining the Distribution system at the same location. More than one solar farm may be located on the same Distribution line as long as they connect at different locations. The rules require that they be separate land parcels.

I spoke with Marie Schnitzer, the National Grid Ombudsperson.

She is new to this role but not new to renewable energy. Solar farm activity has been booming since 2018. Some Developers pursue site control, municipal permit and utility interconnection simultaneously and others pursue the three requirements sequentially. Financing generally requires that the other three components have been secured.

Reasons why there may be a delay in construction:

- The Developer's business is to prepare a site, permit and interconnection, and then sell it to another entity
- The Utility capacity requires upgrades outlined in the CESIR. The Developer needs to acquire additional funding to proceed
- The Developer's business model is to secure several possible sites and decide at some later date which to complete

The Solar Development's 'place in the queue' for access to the Substation [mostly Duguid Road for Manlius] is critical. Early Developments may use existing capacity at low cost. Later Developments must pay for upgrades which may be very expensive.

Onondaga County Industrial Development Agency: Solar PILOTs

RPTL 487 provides for 15-year PILOTs for renewable energy systems approved by NYSERDA. The law is NOT a tax exemption - instead, it applies a value to the property based on MW of power generated. The municipality has 60 days to act after an application is received.

OCIDA offers an option for municipalities and developers to extend PILOTs to 25-30 years and OCIDA manages the administration.

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