



TOWN OF  
NEW LONDON, NEW HAMPSHIRE

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ENERGY COMMITTEE — MEETING MINUTES

**Date of Meeting:** December 5, 2018, 5:00 PM, Town Offices, Syd Crook Conference Room

**Committee Members Present:** Jamie Hess, Lisa Hess, Greg Ames, David Paradis, Tim Paradis, Leigh Bears

**Guests:** Joe Kubit, Robert Brown (Chair of Conservation Commission)

Meeting called to order by Jamie at 5:07 PM.

Brief description of subject matters discussed & final decisions (votes) taken (if any):

1. **Minutes** – November minutes not ready for review. Deferred to next meeting.
2. **Proposal to codify the tax treatment of residential solar arrays** – Bob reached out to Energy Committee in Summer 2015 to discuss the possibility of a Town policy or ordinance that would exempt residential solar systems from property tax (as is the policy in many other NH Towns). Currently, the value of solar is recorded on the tax card but is not included in the tax calculation. A similar policy was used in the past for whole-house backup generators; however, 2-3 years ago, the policy was changed to include backup generators in the tax bill. Bob states that he would not have installed solar if it would have been taxed. Bob is requesting a warrant article to officially codify the policy of non-taxability to be presented at Town Meeting. Bob estimates the 50% of surrounding Towns have already passed similar laws. The Energy Committee would need to work with the Select board and Kim to get the Article together. Recommend reviewing with Budget Committee as well. Jamie suggested the Energy Committee and Conservation Commission co-sponsor. Bob said he had suggested sponsoring a similar warrant article to the Conservation Commission in the past, but was voted down, as other Commission members thought the issue belonged to the Energy Committee, not Conservation. Bob suggested that the Commission would support a warrant article if the Energy Committee sponsored it. Jamie discussed the policies of other Towns. Sutton had a similar exemption proposed at Town Meeting and it was voted down. The supporters re-

presented it at the 2017 Town Meeting, and it was approved (a full exemption). Andover exempts the full value of solar systems. Warner exempts up to \$35,000 but is currently discussing removing the limit. Newbury exempts the first \$5,000. Wilmot has no official exemption on paper. Bob mentioned RSA 72:16 allows towns to exempt, Jamie mentioned 72:27 discusses processes to exempt, 72:62 discusses solar specifically. Joe mentions there are 2 geothermal systems in Town – can we also exempt non-fossil fuel heating systems? Greg suggested 2 paths – one exempting renewable generation and a second to exempt non-fossil fuel heating systems. Need to investigate what RSA 72 allows. Should wind be exempted as well? How do you craft the language? Talk to Kim – Select Board needs to draft it. Best to work with Select Board in a constructive manner. Tim moved that the EC support a warrant article to codify a residential property tax exemption for renewable energy systems such as solar, wind, and geothermal if allowed under RSA 72. Seconded by David, passed unanimously. Conservation Commission meets the 3<sup>rd</sup> Wed at 8:30AM (next meeting on 12/19). Energy Committee members will plan to attend to this meeting to get support of the Conservation Commission.

3. **Municipal solar** – Norwich Technologies presented to Solar subcommittee. Jamie got a follow up email from Don McCormick, which gave a cost breakdown of the two individual systems separately and combined (combined pricing is slightly less than the sum of the individual systems due to economies of scale). Tim reached out to other companies, but never heard back from them. PPA price is set to Town's current negotiated electric rate with third party suppliers (vs typical PPA that is a fixed initial price/kWh with an escalator). 5% discount if Norwich can secure the state rebate. Discount would start when state rebate is approved (does not need to be in place at start of PPA). Mention of sizing a capital reserve budget to meet the estimated buyout price in 6 years. Buyout price is TBD; IRS rules do not allow PPA buyout prices to be set up front. Typical numbers after 6 years are 40% of installed cost. Both systems combined are around \$450,000 new. Buyout price is fair market value as determined by appraiser. If you don't buy after 6 years, they will reprice at 10, 15, and 25 years (they don't do it annually to avoid paying for appraisal each year). Both systems together are estimated to produce 1/3 of the Town's 643,000 kWh annual usage. Any tree clearing, relocation of

driveway, or other sitework for ground mount system will be paid for by solar installer and is included in proposal. Maintenance is covered by Norwich Technologies during the PPA contract. Shading analysis is baked into production estimates at DPW garage (minimal shading impact; trees also reduce view of system from street). LOA has been signed to start design/permitting process. After PPA ends, Town can contract with Norwich Technologies to handle operations and maintenance; however, there are an estimated 20 companies in the area that can provide this service (est maintenance of a “few hundred dollars” per year). Capital reserve fund for future buyout would need to be approved by the Select Board/voters. As this process moves forward, make sure to continue discussions with all concerned parties in Town (DPW, Fire, etc).

4. **Update on Weatherize-Solarize campaign in partnership with the towns of Andover, Newbury, Sutton, Warner and Wilmot** – Weatherize (Jan-Mar)/Solarize (Apr-Jun) to be done under auspices of KCA, with help from Vital Communities. Selected 3 solar vendors to interview next week, to make final decision on solar contractor. Currently trying to figure out best way to get the word out, may need more people to help spread the word to friends/neighbors. Tax credits phase out after 2019. Official campaign launch on January 26, 2019.
5. **Next meeting:** Wednesday, January 2, 2018, 5:00 PM, Syd Crook Conference Room.
6. **Meeting adjournment:** Tim moved to adjourn, David seconded. Approved unanimously. Meeting adjourned at 6:33PM.

Respectfully submitted,

Greg Ames, Secretary