Utility solar for Concord? - a report card

The report card is in, on the Article 64 project to install a 'utility scale' solar array in Concord.

We look at the substance of the proposed winning bid – how has Concord fared, with the bid outcome? To understand that outcome, we then turn to the process, the governance, that produced these results.

Substance

There are four elements relevant, for the proposed winning bid.

Parcels – 14.43 acres in the RFP, in four sections

1. The forested section, 4.41 acres of trees, had effectively been taken off the table before the September 27 Selectmen's hearing. Trees after all contribute to carbon sequestration. 2. The Ammendolia land, 4.82 acres, was dismissed at Town Meeting as not farmable. If you doubt its agricultural use, this <u>video</u> takes you there firsthand (courtesy of Concord Patch and its Editor, Betsy Levinson). If you need more, go <u>here</u> for an eloquent precis by Cherrie Corey. ConcordCAN, perhaps Concord's principal pro-environmental citizen group, plainly opposes use of Ammendolia, which is farm land, for solar. At the waste water treatment facility:

3. The triangle -2.37 acres - took itself off the table. There were no bids for it.

4. An unused filter bed -2.83 acres - has been given up for solar. This is at a time when the waste water treatment plant approaches capacity and is beginning to plan. But future needs and required land are not yet clearly delineated.

The bidding process

Forty-four vendors took bid packets; of these, fourteen came to walk-through the parcels. Only two submitted bids. The vendor community voted with its feet against the desirability of the parcels Concord offered via the town process.

The winning bidder, Tioga Energy

Tioga Energy, to its credit, appears to have a competent management team and (entirely brief) track record, in its niche. The company is in just its third year, compared with 25 years for a recognized industry leader (who declined to bid). Tioga is judged not to serve 'utility scale,' rather instead a niche segment of smaller installations, the size for instance of the WWTF unused filter bed by itself. Tioga appears to be a financial packager, rather than come from a technology and industry base. Its bid is half the price of the only other bid, but this disparity has not been vetted for reasonableness.

The bid itself

Two objectives actually compete, to assess the bid. Reducing carbon is presumably the reason why Concord would do solar. But savings on the cost of electricity also attract.

If Concord chooses the Tioga bid, for all parcels, it will *fail* to reduce almost 40,000 tons of carbon over twenty years. Choosing the bid will cause investment that will reduce only half the carbon that Concord might otherwise – beginning right now.

On the other side of this seesaw, there appears to be a dramatic reduction in the cents per kWH we pay for electricity. In fact the monetary savings are from two sources.

Savings on transmission cost will be minimal, since only applied to a tiny part of Concord's electricity purchases, perhaps to just half a percent of those purchases if Ammendolia is off the table. Savings from reduction of peak demand do advantage all electricity purchases, in lower 'forward capacity charges.' But those savings are themselves less than a third of a percent of total CMLP energy purchases and are not material. [In later years, these latter capacity charges may be more material for Concord. Fortuitously, solar costs may by then decline; and solar may become useful for reducing peak demand.]

Since the point in transitioning to renewables is carbon reduction, the bid does not serve Concord's environmental objectives. (The cost saving foregone if the project is not implemented is not material; it might become material at a later time, when solar may have come down in cost.)

Process

Over the initial half-year or so since inception of the idea locally in Concord, beginning 2009, the proposal was kept to a small group, not vetted according to accepted process. By the time of Town Meeting, the die was pretty well cast but locked into constraints fated not to work.

If instead Concord adopted a process modeled on the path it took for its fiber network – foreshortened into months, instead of years – Concord might have avoided less-thandesirable governance miscues, at Town Meeting and in the months ensuing.

- Staff and citizen time would not have been sent in pursuit of parcels that had little or no prospect to produce workable solutions. The vendor community might not have been so turned off.
- The spectacle of an attempt to renege on a commitment, not to use agricultural land, would have had no incentive in the first place. There would not have been so little usable land that a violation of trust seemed worth trying, to alleviate the shortage.
- The landfill publicly now said to be 'available,' and clearly superior in both acreage and openness could have been properly vetted, from the beginning. We could already be well into the process, to secure state approval for the change of use, as well as negotiations with interested parties.
- Hopefully, we would not have heard dissembling about 'hurry up and do it,' for unfounded reasons at Town Meeting.

What might we do now?

As already proposed in a draft policy circulating in the CMLP board, Concord can begin seeking partners for New England wind projects to implement jointly – wind power that will reduce the carbon we can, now.

Hopefully solar will in time prove-in cost-wise. We can begin to look seriously, with good process, at parcels that might be suitable. Perhaps we will begin to qualify the landfill, in the state permitting process. Perhaps we will begin in earnest to consider what using the WR Grace land might require. So that Concord can adopt solar responsibly, when the time comes.

That is 'substance.' On the process side – our governance – the report card offers manifold food for thought.

These two-plus pages are just a summary. They need documentation. Particularly, you need detail for the more involved pieces – above, they are only summarized.

You will find the documentation and detail at the inaugural flight of the Concord Campaign for Quality Governance – <u>http://concord-trustingtheprocess.org</u>.

As of October 2 2010