

Stowe Electric allays neighbors' concern over solar project

By Tommy Gardner | Stowe Reporter | Posted: Thursday, May 21, 2015 6:00 am

Stowe Electric Department officials met last week with Beech Hill Road residents on a front porch in the neighborhood, hoping to assuage concerns over a solar project in their back yard.

It appears to have worked — and perhaps just in time.

Stowe voters go to the polls next Thursday, May 28, to decide whether to allow the town to pursue a \$3.5 million zero-interest loan, payable strictly out of electric department revenue, for a 1-megawatt solar-power generating facility on the filled-in portion of the town gravel pit.

An informational meeting tonight will give residents a chance to question Stowe Electric officials and the project's designers.

The town gravel pit is on Beech Hill Road, in the Nebraska Valley. Some neighbors — and a couple of local elected officials — initially balked when Stowe Electric proposed the project at the end of April and pushed for a quick vote on the bond. Some thought the utility was trying to foist the project on them.

Indeed it's a quick turnaround from outlining the solar idea to seeking a vote, but that swiftness was needed to get a no-interest \$3.5 million loan. Vermont utilities have only until June 3 to apply for the loans from the Vermont Economic Development Authority.

“I don't think there was anybody out there who was against renewable energy,” Lisa Walker said. She hosted the informal meeting with her Beech Hill neighbors and Stowe Electric officials. “It was a concern about how quickly everything was moving.”

One concern was how a solar array would affect the neighborhood's property values. The New York Times has reported that, for individual properties, solar panels boost a home's value. There are some studies about how wind farms affect nearby properties, but there appears to be a dearth of information on how small solar projects would affect an enclave with about 10 homes.

But neighbors also just had a lot of questions, such as whether the project could be screened (it can), other places had been looked at (they had), and whether it will lead to savings (it will, say officials).



National Life solar array

The National Life solar array in Montpelier gives an indication of what a 1-megawatt installation might look like.

Walker said most of her neighbors are pro-solar and aren't necessarily "not in my backyard" types. They just wanted to have a say.

"They kind of put our minds at ease, and that was the biggest thing," Walker said. "They even got back to us with follow-up questions."

Matthew Rutherford, Stowe Electric's manager of regulatory compliance, said it's essential to have the trust and goodwill of the neighborhood.

"It was also a nice night to hang out on the porch and talk with the neighbors," Rutherford said.

As for the savings, Stowe Electric general manager Ellen Burt said that, when the utility makes its own power, that will cut out things such as purchasing agreements and transmission costs. And although the town government and the utility still haven't worked out the details on leasing the land, she said the town will be getting a good deal.

"It's going to be very low-cost power," Burt said. "This is what we call 'behind the meter' generation, and you can't do any better than that in the power industry."

RESET and CREBS

The Vermont Legislature passed tighter rules last week on renewable energy production and purchase for the state's utilities. Known as RESET, it marks the first time that utilities will be required to buy or produce — or a combination of the two — their own renewable energy from small-scale generating facilities of less than 5-megawatts. By the year 2032, 10 percent of Vermont utilities' energy must come from these small, local generators, and 1 percent of it by 2017.

There is another option for utilities that don't meet RESET requirements, and that is to make a "compliance payment of 6 cents per kilowatt-hour, which Stowe Electric officials saying would cost it an extra \$450,000 a year. They estimate that the compliance payment alone would lead to a roughly 4 percent increase in rates.

The 1-megawatt solar facility planned at the gravel pit would put Stowe Electric about 25 percent of the way toward meeting that 2032 renewable energy goal, and it could get further by buying energy from like-minded projects operated by sister utilities.

Hyde Park voters have already decided to pay for a \$3 million facility, and Hardwick Electric plans to build a small solar facility. Stowe's project costs half a million dollars more than Hyde Park's, but Stowe also has more solid plans than Hyde Park has.

All are going after the same pot of federal money, called Clean Renewable Energy Bonds. They are zero-percent loans that in this state would be divvied up by the Vermont Economic Development Authority. That is, if utilities apply for them by June 3, and if there is any money left to give out.

This round of renewable energy bonds are "leftovers" from a much larger pool of loans that went to

larger utilities across the nation. Burt said these loans now appear to be headed in the direction of small utilities in the U.S.

Stowe, with its roughly 4,000 customers, is the second-largest municipal electric department in the state, behind only Burlington, but she said Stowe has “got to be agile” and move quickly to apply for the zero-interest loans.

Kevin Weishaar, controller for Stowe Electric, said there is little information about how much CREBS money is still available, and it’s hard to tell if Stowe will even get the loans if voters approve the bond.

“The feds are being very close-lipped,” Weishaar said.