

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
COUNTY OF NEWPORT**

The Town Council of the Town of Tiverton, County and State aforesaid held a Workshop on Thursday, the 29th day of July 2013 at 7:00 p.m. at the Tiverton Town Hall, 343 Highland Road.

MEMBERS PRESENT:

Councilor President Roderick, Vice-President deMedeiros, Councilor Arruda, Councilor Chabot, Councilor Gerlach, Councilor Lambert and Councilor Pelletier Town Solicitor Andrew Teitz and Town Administrator James Goncalo were also present.

1. Call To Order

Council President Roderick called the meeting to order and the Town Clerk Nancy Mello conducted the roll call. President Roderick explained, in the interest of time, participants would be given 15 minutes after which there would be a brief discussion. President Roderick then called for a pledge of allegiance to the flag.

Renewable Energy

1. Garry Plunkett – Introductions and Workshop Goals

Garry Plunkett was the Tiverton representative for the East Bay Energy Consortium (EBEC), worked on trying to get wind energy to the area. Reminded there is a risk factor in new projects. Financing will be stronger, dealing with complex issues. Need to keep in mind the Industrial Park (the Park) could be one area that could be developed for renewable energy; as with the Water Authorities on adjacent land. Cannot work without approved zoning. That site has a source of power and a good connection to the grid; need a consensus on a way going forward. Mr. Plunkett distributed a suggested plan of action.

2. Planning Board Chair Steve Hughes and Kate Michaud

- **Town Wind Ordinance**
- **Other Planning Issues related to Renewable Energy**

Kate Michaud provided an update and brief history regarding the Wind Ordinance. In February 2010 turbines were proposed on a residential property, no ordinance was in place, the Planning Board (PB) recommended a six month moratorium to draft regulations, Council approved that recommendation. In April 2010 the PB unanimously adopted regulations for recommendation to Council. A public hearing was held on June 14, 2010, the Town Council voted unanimously to send the recommended ordinance back to the PB for further consideration regarding noise and setbacks. In March 2011 the PB voted to table the ordinance pending approval of guidelines from the State. Do not have any guidelines yet, the State has draft version. The moratorium is still in effect until an ordinance is adopted.

3. Water Authorities–Paul Northrup, No Tiverton Fire District-Frank Raposa, Stone Bridge Fire District Status on Negotiations with APEX, WRT Wind Turbines on their Watershed Parcels

Paul Northrup, Treasurer for the North Tiverton Fire District (NTFD), thanked Councilor Gerlach for taking the lead on this item and on Stafford Pond. Mr. Northrup had emailed a statement to Councilor Gerlach, read portions of that statement. After careful consideration the NTFD board and management concluded a private developer would be more advantageous. Councilor Pelletier noted this letter was now part of the record. Both NTFD and Apex Wind have agreed to terms and language of a lease agreement, have signed a letter of intent. Frank Raposa, Stone Bridge Fire District (SBFD) explained this district was in serious negotiations with Apex. Will present more information to Council when able.

4. Presentation by Chris Swartley, Vice President of Project Development, Apex Clean Energy, Inc.

Chris Swartley, Vice President of Project Development for Apex Clean Energy, Inc. gave a slide show presentation. Thanked the Council and Councilor Gerlach for spearheading the effort. Apex is a young company founded in 2009; senior management has 10-20 years of experience in development, construction and financing wind projects. Apex has a Northeast office in Portland, Maine, just completed the first project on 300 megawatts in Oklahoma. Have in house capabilities to develop a wind farm, do resource assessment, transmission

interconnect, project development, equipment procurement, construction engineering and asset management. Apex has financing capabilities for project finance, development finance, business development and legal counsel. Hire local and regional firms, do high end critical analysis. Have deep experience in the renewable energy industry. Working with NTFD and Sbfd to lease land for wind turbines. Question is how to site wind turbines in a watershed area. A previous environmental assessment found no fatal flaws. Have not formally entered the grid operating process, the route 24 substation can handle a project of this size, approximately 6-8 turbines, 18-24 megawatt. Valuable to have the MET tower data. Going forward, this is a possible picture to start the conversation depending on the stakeholders and participants, roughly takes 2 years. The benefits for Tiverton, Apex experience, lease payments to landowners approximately \$8 million over 30 years, tax revenue approximately \$50-60 million, \$2.6 million in local purchasing. Would hire local employees, 9 full time employees in RI, 234 full time during construction and 6 full time for operations. Do visual assessments by taking pictures from a number of areas, a computer generates a view of what the wind farm will look like. Do sound studies based on topography and geography. Presentation will be available, will email to the Clerk.

5. Presentation by Stephan Wollenburg , Green Energy Program Director, People’s Power & Light – Renewable Energy Credits Program

Stephan Wollenburg, Green Energy Program Director for a renewable energy credits program explained the significance of renewable energy credits depends on whether Town will develop or own the project itself. This company has experience in working with municipalities. People’s Power & Light (PPL) is a nonprofit in Providence and Boston. Would be able to help with financing and consulting, helps evaluate options. Can also help negotiate better deals. There are incentive programs in RI. For a project of this size the energy sold would go into the wholesale market or energy distributor like National Grid. For smaller projects Net Metering allows a developer to get the retail value of energy, more flexible for municipalities. The large incentive investment federal tax credit is set to expire at the end of the year. If a developer has incentives it reduces the price. It is most important to establish what the goals are for this project like maximizing revenue for the Town or minimize the risk, reduce energy cost or stabilize energy costs. In the process transparency is important, communication with the closest residents, neighbors, as frequently as possible. Planning for turnover is also important as well as a well-designed RFP. Other points include municipal ownership versus third party, examples include Gloucester, MA which has three 1.5 megawatts, essentially no complaints, has a long term contract. Some contracts have the developers curb turbines during the day. There could also be a purchase power agreement. Ipswich, MA has two turbines on town owned land, they developed one and the second was a third party private developer. A lesson from the Portsmouth turbine, the lowest price should not be the only criteria, should be considering insurance. It is imperative to validate the credentials of the company even if by a third party for financial viability in the long term.

6. Other Renewable Energy Options (Solar, Tidal, Bio – mass) – Commercial interests and requirements

Councilor Gerlach noted would be remiss to not consider other forms of renewable energy given the topography and geography. No current ordinance to deal with any of this as the Council addresses the next steps.

7. Open Discussion and Planning of Next Steps

President Roderick noted wind energy comes with a lot of questions. Need to have a meeting with the water authorities. The Council needs to plan what the Town wants to do; what the Town looks like visually is important to a lot of people. Mr. Plunkett submitted a plan of action and milestones for Council review. Councilor Lambert had several questions regarding the economic benefit to the Water Department, the Town, the dollars and cents, a rough guideline. Project mentioned 6-8 turbines, questioned if limited in scope to the Water Dept or if the IP would be involved. Need a clear understanding of the impact on the Park, have municipal property, the % of impact on later development. Most taxpayers want to know the benefits and negatives. Mr. Swartley explained, at the appropriate time, are interested in getting approval from the Town as land owner. The permitting is part of the process yet to be determined.

Councilor Pelletier questioned the Solicitor on the Facility Energy Siting Board, and at what point are they involved. Solicitor Teitz explained there was a minimum threshold, above that they have concurrent jurisdiction for siting. They would consider the opinions of the Town. Councilor Pelletier also questioned at what point the

Council going to create an ordinance to address these concerns and the needs of the Town. Mr. Plunkett suggested it would be preferable for the Town to write its own ordinance; the State will only be issuing guidelines. All the studies are public information. Councilor Pelletier noted in the long range should create an ordinance. Mr. Wollenburg noted a tax credit requires a tax equity incentive; the Town has to be aware of Federal incentives. President Roderick noted there could be a PILOT, payment in lieu of taxes incentive. Mr. Swartley suggested looking at other municipalities that have regulations, some in MA or NY. Solar investment tax credits will expire in 2016; production credits expire at the end of the year.

Councilor Pelletier questioned the PB members in attendance if there was any further talk about adopting a policy until more concrete information is available. Peter Corr, Planning Board Vice President and member of the SBFD, was on the subcommittee, was rewritten many times, is willing to revisit. It would be for the Council to give the task to the PB again. President Roderick noted the moratorium was contingent upon an ordinance. Mr. Corr added the SBFD was a quasi-municipal entity, non-profit; sources of revenue keep water rates down. Approximately 1,100 household in the SBFD and over 3,000 in the NTFD.

President Roderick requested the Clerk check the calendar for a meeting with both the SBFD and NTFD, request the Council be prepared to address the moratorium with some kind of ordinance. Councilor Lambert suggested the Council members each contact some communities for more information on their ordinances, requested Mr. Swartley contact the Clerk with a list. Mr. Wollenburg suggested Coventry, is a similar size community. Councilor Pelletier requested the Solicitor review the most recent lease prepared for Apex Wind. Mr. Swartley explained, that was before he started with Apex, can make the most recent lease with the NTFD available. President Roderick requested that be sent to the Clerk and the Solicitor and for the Clerk to put on the next agenda to look at setting a date for another workshop and ask both Fire Districts to attend.

Councilor Chabot noted this discussion brought out all the benefits does have a flip side. At a public hearing on June 14, 2010 a slide show presented some of the negatives- noise, shadow flicker and the impact on human health. A questionnaire in 2011 produced 990 responses, 6-7% of the population at that time. Need to educate, see the cost of wind energy, both economically and the human side. The cost is spread among rate payers, pay more on the electric bill associated with renewable energy. Other towns like Falmouth, MA constructed one of three wind turbines, voters approved to dismantle because of the health impact. There is also an issue with this in the Town of Charlestown, need to hear both sides of the story. One resident of Tiverton complained about the impact on egg and milk production from the wind turbine at Sandywoods Farm. Wind energy is an abundant resource when used, excess from the base load goes into the grid, can be unreliable and inconsistent. Less than 5% of energy is from imported fuel; most is from coal, gas and then renewables. There is a risk of catastrophic failure, net metering, cost then turned over to residents and businesses, not sure that is the way to go. President Roderick requested putting on the next agenda for a special meeting or workshop. Town Clerk will check with PB. Councilor Arruda, recently returned from a cross country trip saw thousands of wind turbines; some went on for miles, some not working. Troubled about lengths of the contract, technological impact. Councilor Gerlach agreed with Councilor Chabot, need a fair and balanced discussion with all sides represented to make the best decision. President Roderick thanked all who participated. Sally Black requested consideration of the impact zone at the Schools.

At this time Councilor Roderick called for motion to adjourn the workshop.

ADJOURNMENT:

Councilor Pelletier motioned, seconded by Councilor deMedeiros to adjourn. The motion passed unanimously.

The meeting adjourned at 9:00 p.m.

A True Copy.

ATTEST: _____
Nancy L. Mello, Town Clerk