

GEC Meeting Sept 10 2009-Approved October 15, 2009

Brian Spires- BS
Mike O'Meara-MO
Mark Beaton-MB
Gene Wyatt-GW
Pine duBois

Called meeting to order at 7:20PM

Review and accept minutes of Sept 3rd, Moved by Mark second by Mike, 4-0-1 (Brian abstained as he was not at the meeting)

Prep for meeting with Fin Com. Mark read request email from Fin Com.

- Provide copy of Weston & Sampson scope of work for the Municipal wind Turbine & Project Development Support which includes cost estimating and economic analysis scope
 - Specifically with regard to Task 6 we would ask that Fin Com comment on the model once it is provided in draft
- Also provide page 69 the KEMA June 2008 Feasibility Study Projected Economic analysis to show the basis for going forward
- We have been guaranteed renewable energy credits up to \$2.4M from MTC
- The schedule is such that we will need their review in the beginning of the year in order to be ready for Spring TM. With approval at TM:
 - Apply for REC
 - By June of 2010 we need to issue RFP for construction and have completed special permit process with ZBA

7:45PM reconvene to Fin Com in the next room:

Brian addresses the committee:

- GEC recently retained Weston & Sampson –Task 6 pg 3 of proposal will be the time to look at cost of construction, cost of chosen machine, mitigation costs, etc. When this analysis is complete our hope is Fin Com would be involved in the review of the analysis.
- Last year we provided the Feasibility Study to the Fin Com which laid the basis for the project and led to this stage
- The good news is that there are lots of grants and funding still—including some interest free loans that we will apply for; and we have secured the \$2.4m REC credits as long as we stay on track/schedule.

Jason (FinCom) requested more specifics, but understands that we are not there yet. Brian states the recent \$150k grant that led to the hiring of W&S which will provide more specific economic analysis.

MB reviews the scope of the W&S proposal including the \$10k scope for analysis of the economics, reading the Task as discussed in the proposal. GEC asked the consultants to answer the FinCom's questions.

- Supplemental information: grants and financial incentives that are available. This includes Kingston application to the CRED as a vendor for the Federal Government—although we missed the deadline this year, we are in line now, and Tom Bott and Jill completed the 100page application.

- Both Senator Murray and Rep Calter are supportive of the wind project and are helping this happen.
- As we get info we will forward it to FinCom

Jason: what is different from what was proposed in the Feasibility Report to what W & S will do?

- MB: The whole economic climate and availability of turbines has changed
- BS: It is important that we have the right machine for our site—every machine and every site is a little different. Now we have funds to have the consultant get the specifics for our site. Now we have lots of data and information to plug into the site. We will choose the best machine at this time.
In order to remain eligible for all the grant funds we have gone slow but we are ready to jump in. MTC has determined that it makes sense to proceed. In the last six weeks there have been substantial changes to state and federal legislation that includes incentives. In addition, bonds are available with favorable interest rates etc.

Question if the information that we have provided is real. Yes it is real but it needs to be refined.

What kind of time lines to present at town meeting

What does W&S need to do?

- Go to Planning Board
- Financials probably by January

What if there is no wind?

BS: Multiple ways to insure projects like this—

No money

No wind

Plummeting KW price

We do have guaranteed \$2.4m

What is the variability of wind?

6.8m/s is our average speed

Wind maps for Mass are old and good —our wind data is better than projected—but cannot be applied to any other site.

GW: Machine specific, height, blades all make a difference. The great part about W&S is they have a full house of experts to answer all the questions.

BS: The page from the Feasibility Study includes a determination whether the project should be public or private—like what Plymouth just decided with Loomis.

In our models the offer was \$25,000 a turbine—but now the game has changed considerably. Plymouth gained a low rate on their utility charges plus a high lease value

Have we looked into other towns? Yes, best example is Hull, which first put up one, then two and now is planning five turbines, and they own them all.

Have we contacted Loomis? No—

Part of what changed is Net Metering—Kingston is at the head of the line, Plymouth would have been in the back.

Fin Com asks that we assess whether a more profitable private deal can be considered. Someone would have to contact Loomis or others to determine if it is feasible

FinCom likes the no risk etc. BS explains that lease payments are contingent on the wind resource and not –retail vs wholesale price of energy. In addition quality of machine comes into play, etc.

Jason has concerns about vagueness of schedule for W&S—GEC says schedule is tied to payments and deliverables must be made on-time for the project

Ques of whether current grant is State or Federal money. State—MTC.

End of discussion 8:33PM

Reconvene GEC meeting

Motion made by Mark to accept Minutes of August 13, second by Pine for discussion 3-0-2 Pine and Mike abstained.

Reorganization?

MB—does not want to be chairman—we will be going through a tech period—we could use a tech—project engineer—would like to consider Jim Moran—but cannot bring it up without him in attendance. He seems qualified as a person who could interface with engineers and boards.....

BS: he certainly is the most experienced with big construction experience

MO: both MB and BS have done very well advancing and providing lots of info

BS : JM should/would be a quick study

MO: admittedly has been out of loop-but one thing we can have is develop a real time schedule of the progress of the GEC that should be updated....

- Do a time-line
- Do a summary of all docs that have been produced

MB: The file exists in Jill's office and minutes are on-line—nice idea, but who will do it.

Pine discusses the desirability of issuing a PR on the hiring of W& S as a way of keeping the public engaged.

Meet in two weeks Sept 24th

Adjourn 8:55PM

Clerk du Noir