

Strafford Community Solar

Project Overview and Economics

Strafford Community Solar (SCS) is a unique community solar project, facilitated by BALE, the Vermont Law School Energy Clinic, and the Strafford Energy and Climate Committee to be developed off Alger Brook Road in Strafford, Vermont. Participants will jointly own a portion of the 223.2 kW DC solar array and the associated economic and environmental benefits, support the local community and the planet. This project differs from other Vermont solar projects, that often due to problematic state rules, do not allow participants to legally purchase solar electricity or reduce their carbon footprint. SCS member/owners will keep their renewable energy credits, purchase a share of the solar electricity generated and have the associated net metering credits reduce their GMP electric bill. Each member owner will also be responsible for the proportionate share of the solar projects annual operating expenses.

The turnkey solar project will be constructed by Catamount Solar, a longstanding, experienced, local solar development company and sold to the participants of Strafford Community Solar, LLC which will be managed by the member/owners on a cooperative, one member, one vote basis. The project also benefits from a \$15,000 seed capital grant from VSECU which has funded permitting costs and will be paid back following construction so that it can support the next community solar project.

1. The SCS project is a planned 223.2 kW DC (150 kW AC) Community Solar Project in Strafford.
2. The project will lease the land off Alger Brook Road for 25 years.
3. Estimated Annual generation is 268,590 kWh.
4. The straight payback period for the project is estimated to be approximately 14¹ years (residential customers), with an approximately 17 year payback for not for profits (assuming no Investment Tax Credit savings). Businesses could experience less than a 14 year payback with other benefits such as accelerated depreciation.
5. Project participants can claim to purchase solar energy and to reduce their carbon footprint equal to the annual kWh production of their ownership share of the solar array.

Project Costs and Revenues Overview:

- Permitted Cost per kW (DC) is estimated to be \$2.36/watt
- Commercial and residential owners may be eligible for the 26% Investment Tax Credit. Commercial owners may be eligible for other financial benefits. All participants should consult their tax advisers.
- The project would be eligible for \$0.12413/kWh blended net metering rate that would escalate over time as utility rates increased.

Project Economics per 1 kW (DC) purchased (all kwh production and credits are 25 year averages):

- Before any tax credits, the cost of a 1 kW ownership share would be \$2,360.
- Average Annual kWh production is estimated to be 1,078 kWh (varies annually and by season)
- Average monthly GMP bill credit of \$13.97/month (\$168 annually).
- Average monthly operating expenses (taxes, insurance, fees) \$2.00/month (\$24 annually).
- Average net monthly credits \$11.56/month (\$139 annually).

¹ The payback period is the amount of time it takes to break even on your solar purchase on a cash basis. The calculation includes the 26% residential and commercial investment tax credit.