

Wednesday, January 15, 2020

## **Montague Energy Committee**

Town Hall, 1st Floor Meeting Room, 6:30-8PM

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**Present:** Chris Mason, Sally Pick, Ariel Elan, Tim Van Egmond, Pam Hanold, Jason Burbank. **Guest:** Julie Cowan, MassDevelopment.

**Chris facilitating; Sally taking minutes.**

**Approve minutes from 12/10/19:** Tabled.

**Designate facilitator and scribe:** Chris facilitator; Sally scribe.

### **Heating system options for Sheffield/Hillcrest school buildings**

- Meeting scheduled with Tom Bowman and Jason, Heath Cummings from school, Steve Ellis, Mike Langknecht, Joanne Blier.
- Big question about adding insulation under the roof, if roof will be replaced, and how it would impact the heat load of Hillcrest school.

### **DPW Building**

- \$15,000 possible incentives from Eversource to pay for energy efficiency.

**Outdoor lighting upgrades to LED:** Tabled.

### **Report on CIC meeting if there was one since last meeting**

- CIC member has written a planning and assessment document to look at prioritizing town capital improvements.

### **Town letters of support/testimony**

- MA 100% Renewable Energy Act: tabled
- Rep. Benson's Carbon Pricing Bill:
  - Motion: That MEC agree to bring this resolution to the board of selectmen for their approval and submission. Motion passed.

### **Free Eversource EV public chargers for Turners Falls & Millers Falls**

- Bob Dean emailed that FRCOG can assist towns in planning for EV chargers.

Wednesday, January 15, 2020

## **Requesting that Town opt in to Commercial PACE (C-Property Assessed Clean Energy)**

Julie Cowan, Vice President/Business Development of West Region of MassDevelopment, gave a presentation on C-PACE. Some highlights:

- MassDevelopment will administer C-PACE. DOER is the technical administrator for the energy saving aspects of the program.
- C-PACE billed as a line item on property tax bills for an owner that's taken out a loan.
- Open market for lenders. Property owners can find their own financing.
- Eligible properties: existing buildings including commercial, industrial, nonprofits, multifamily (5 units or more). Mixed use such as commercial and residential qualifies (regardless of the number of apartments). Not municipalities.
  - Can also be used for expanding spaces in these buildings.
- Loan for energy efficiency, renewable energy, & access to existing gas lines (not to fund extending a gas main).
  - Structural improvements like roof upgrades for solar qualify.
- Re gas line access:
  - In Greenfield & Northampton, concern raised about this aspect of the law.
    - These cities made statements in their resolutions to opt in to C-PACE, stating that they prefer not to have property owners use the loan for gas line access. Julie will send us this additional resolution language in case the town wants to use it.
    - Gas line loans cannot be prevented.
  - If the model resolution language (that Julie will email to us) to opt in to C-PACE is modified in any way, it could open town to lawsuit, since it's been vetted by many attorneys.
  - Savings to investment ratio of loan must be one to one (DOER evaluates project to be sure it will see savings, meets energy requirements).
    - Analysis by program assures a positive cash flow by lowering operating costs.
  - Financing puts a lien on property as betterment assessment.
  - Energy improvements are not recognized by banks under standard lending.
  - As a betterment tax, payment remains with the property when it's sold.
  - If default on C-PACE payments, lender takes action.
  - Payments pass through town.
  - MassDevelopment's third party servicer will contact town if they don't receive a payment.
  - Town doesn't forward payments that it hasn't collected.
  - Risk is on the lender, not the town.

Wednesday, January 15, 2020

- Why C-PACE loans rather than a standard loan for improvements?
  - C-PACE provides loans for energy saving projects when property values may not otherwise allow owners to take out loans from banks.

Future steps:

- Talk about C-PACE again at next meeting.
- If MEC decides to support moving it forward, talk with Steve Ellis to see what concerns there might be and how to proceed.

**Discuss possible revisions to solar bylaws:** Tabled.

**Town buildings and energy infrastructure,** including Sally's list of town energy: Tabled.

**Discuss future directions, priorities of committee, building membership:** Tabled

**Plan agenda for next meeting**

**Other topics not reasonably anticipated 48 hours in advance of the meeting. Votes may be taken.**

**Action items:**

- Ariel will get CIC's planning document and circulate it to MEC.
- All members should review and contemplate questions about opting in to C-PACE for discussion at next meeting. May also want to research C-PACE programs in other states.

**Next meeting:** Wednesday, February 5, 2020, 6:30-8pm.