



News from the Office of
ERIE COUNTY EXECUTIVE MARK POLONCARZ

NEWS RELEASE

October 23, 2015

CONTACT: Peter Anderson / Peter.Anderson@erie.gov
Phone: (716)858-8500 / Mobile: (716) 270-7842

ERIE COUNTY SOLAR POWER PURCHASE AGREEMENTS SPARK SIGNIFICANT SAVINGS

Conservative estimates of \$9.5 million in savings to Erie County over 20 years through reduced energy costs resulting from placing solar arrays on county land

ERIE COUNTY, NY— Erie County ("the county") is poised to realize substantial energy savings over the next 20 years following legislative approval of a resolution allowing the county to award power purchase agreements ("PPAs") to SolarCity Corporation and Greenskies Renewable Energy, LLC for the construction of solar arrays on Erie County land, along with the subsequent purchase of the energy generated by these photovoltaic ("PV") systems. Based on an independent analysis completed by Fluent Energy, the county's energy consultant, the nominal net benefit of the PPAs is conservatively estimated at \$9.5 million in savings over a 20-year term, but savings may actually be greater depending on the final design and sizing of the arrays.

"My administration continues to take a critical look at Erie County's energy usage, and we remain determined to find more efficient ways of generating and providing energy for county buildings while increasing savings for taxpayers," said **Erie County Executive Mark C. Poloncarz**. "These power purchase agreements take our commitment to the next level by using available county land to erect solar arrays, capturing the sun's energy and using it to far more efficiently power our building infrastructure. Together we are creating a brighter, more sustainable future in Erie County, one that replaces old, wasteful patterns of energy consumption with contemporary, conservative measures that carefully shepherd resources and increase savings for residents."

Earlier in 2015 the Erie County Departments of Public Works and Environment and Planning issued a request for proposals for companies to provide solar PV systems for power purchase, and received a total of eight (8) proposals from the open solicitation. A proposal review committee consisting of representatives from the Erie County Department of Public Works, the Division of Environmental Compliance, the Division of Sewerage Management, Buffalo State College, and Hodgson Russ ranked the responses using a consistent scoring matrix. After completion of interviews and based upon the proposal responses, it was the unanimous recommendation of the review committee that SolarCity Corporation and/or Greenskies Renewable Energy, LLC be recommended for award of the PPAs.

"It's important for WNY to return to the heart of the statewide conversation surrounding New York's energy future," said **Erie County Director of Energy Development Eric Walker**. "With this kind of large scale investment in renewable energy, Erie County is proving it can lead the way toward a more sustainable, clean energy economy and be responsible to Erie County taxpayers. With the country's eyes on New York's Reforming the Energy Vision Initiative and the huge growth of renewables, I'm looking forward to bringing this and other projects to the table."

*Item
4(a)*

A solar PPA is a financial arrangement in which a third-party developer (in this case, SolarCity Corporation and Greenskies Renewable Energy, LLC) owns, operates, and maintains the PV system which the host customer (Erie County) agrees to site on its property. The host customer then purchases the system's electrical output from the solar services provider for a predetermined period at a fixed rate that is usually lower than the local utility's retail rate.

Lynda Schneekloth, Chair of the Sierra Club Niagara Group, said, "The Power Purchase Agreement for solar energy in Erie County is truly a step forward into the next generation of energy systems being promoted by Governor Cuomo. Economic development through clean energy is precisely the type of forward thinking and action that is needed throughout New York and the world if we are going to provide opportunity for our communities, be fiscally responsible and cut greenhouses gas emissions to address the current climate crisis."

PPAs are typically 20-year agreements where the developer is responsible for the operation and maintenance of the system for the duration of the agreement. At the end of the PPA contract term, a host customer may be able to extend the PPA, have the developer remove the system or choose to buy the solar energy system from the developer. Hosting a PV system on County owned land would require a lease agreement with the developer as the system owner.

"The Solar Power Purchase Agreement is the kind of project the Council supports and recommends to County leadership," **said Anne Bergantz, Chair of the Erie County Environmental Management Council.** "We believe that renewable energy development is a strategic planning and resource priority that has multiple benefits for our region that include cost saving, improved air quality and public health, and climate change mitigation. We applaud County Executive Poloncarz for leading Erie County in the right direction!

Poloncarz added, "In 2015, it is more important than ever to evaluate, assess, and improve energy consumption wherever possible. Creating an Erie County Energy Management Office and identifying areas of energy savings was a key component of my 'Initiatives for a Smart Economy', and it is important to note that millions of dollars in energy savings will be coming our way as a result of the Office's work."

Based upon the proposals received, it is the County's recommendation that two (2) solar sites be pursued: one in National Grid territory near the Big Sister Creek Wastewater Treatment Plant site, the other in NYSEG territory near the Alden Correctional Facility site. Tentatively, a 4-megawatt PV array is proposed near the Big Sister Creek Wastewater Treatment Plant site, while a 2-megawatt PV array is proposed near the Alden Correctional Facility site. Final sizing will be based on final engineering review, permitting, and other considerations.

For more information:

On the Erie County Department of Public Works, visit <http://www2.erie.gov/dpw/>

On the Erie County Department of Environment and Planning, visit <http://www2.erie.gov/environment/>

###