



**CITY OF CONCORD**  
*New Hampshire's Main Street™*  
**Community Development Department**

Heather Shank  
*City Planner*

**TO:** The Honorable Mayor and City Council  
**FROM:** Beth Fenstermacher, Assistant City Planner  
**DATE:** March 26, 2020  
**SUBJECT:** Report to provide an update on the Request for Proposal for solar development at three municipal properties.

**Background**

At the November 13, 2018 meeting, City Council authorized the City Manager to issue a Request for Proposals (RFP) for the development of solar energy facilities on three municipal properties including the landfill on Old Turnpike Road, the Hall Street wastewater treatment facility, and the water treatment facility. The RFP required proposals for standalone solar array installations sized up to the State statutory net-metering limit of 1 megawatt (MW), and provided the option for additional alternative proposals.

The RFP was issued in August 2019, and the City received proposals from four qualified firms. A selection committee of City Staff and the City's Energy Consultant reviewed the proposals and determined that two of the respondents presented proposals that provided favorable economic benefits to the City. The proposals were compliant with State law, and through the combination of the lease, payment in lieu of taxes (PILOT), and energy benefits, resulted in payments for solar generation exceeding the benefits received from Unitil over the life of the systems. The two teams were interviewed in February 2020.

Following the interviews, new legislation was introduced that would expand the cap on net metering limits for municipalities, to exceed the 1 MW limit. The proposed increase would potentially provide better financial and environmental options for the City.

**Discussion**

Based on the pending legislation, and potential financial implications, the Solar RFP Selection Committee voted to postpone the award of a 1 MW standalone facility, and to reissue the RFP when new legislation is signed into law.

However, the Committee is recommending that one of the alternative proposals be awarded. The alternative proposal consists of a small scale, "behind the meter" facility located at the Hall Street Wastewater Treatment Facility in the front of the parcel. "Behind the meter" means that the Wastewater Treatment plant will use the energy generated by this solar system first, before

having to use energy supplied from the grid, directly reducing the amount of energy purchased. A standalone (or “front of the meter”) system would feed the power directly to the grid, as opposed to using it on site. The behind the meter installation would not be impacted by pending legislation; therefore, it is considered feasible to move forward with this proposal at this time.

By moving forward with this proposal, the City will save up to \$100,000 over the life of the project (slightly less if the system has to export some of the generation due to added costs). Please see the supplemental information for a summary of the analysis prepared by Beacon Integrated Solutions, the City’s Energy Consultant.

Beacon will work with the selected firm to analyze the sizing of a facility that will avoid shutdown risk, allows the City to still pay for additional power needs under competitive market rates, and provides a net positive financial outcome.

In addition to the financial benefits, this proposal moves the City towards achieving the 100% Renewable Energy goals.

### **Recommendation**

Accept the report. Upon acceptance of this report, the City Manager will enter into an agreement with the selected respondent to move forward with the contract negotiations for the behind-the-meter installation at Hall Street.