

Telephone Conference Attendees

Directors - Paul Etkind and Elizabeth Forshay

Terry Jones and Lori Pare, Belle Terre

The Board discussed the following items:

Solar Update

The Board will review/edit the draft and forward the final draft to Belle Terre for distribution to all Unit Owners. See notes attached to minutes.

Bylaw Amendment Update

The final draft presented by the Bylaw Committee and approved by the Board has been forwarded to the Association Attorney for final review. Terry has followed up with the Attorney on several occasions and will check the status again.

Winter Update

It was noted the roads are in rough shape. Terry confirmed she has already reached out to United Construction to secure an early date for grading. United has tentatively scheduled the road grading for May 4th. Liz inquired if there is a quote; Terry noted that the price varies depending on the road conditions at the time of grading.

Walk Grate

A newly installed owner walk grate seems to be functioning well.

Spring Clean-Up

Terry noted that clean-up should be earlier this year if the weather holds.

Trees

Terry confirmed an owner [#61] would like to remove a couple of trees leaning toward the unit at owner expense. The board will review the site and forward a decision.

Paul commented that the Belle Terre staff did a good job with the tree removal by Unit 28.

Wildlife

Paul noted there has been a lot of bobcat tracks this year. He was concerned for the safety of a tenant's dog as they were letting their dog out both day and night without a leash. Terry suggested they contact Belle Terre in the future if a tenant is allowing their dog out without a leash; Belle Terre will reach out to the rental agent and/or unit owner.

Insurance Loss

Terry confirmed the water loss repairs to Unit 31 are now completed.

Staining

The 2020 staining schedule was approved by the Board. Liz inquired if owners of units not on the 2020 list could pay to have their walkways stained while the contractor was on site. Terry confirmed they could and suggested adding a note to that effect in the Newsletter. The Board approved.

There being no other business to discuss, the meeting was adjourned.

Respectfully Submitted,
Lori Pare, Recording Secretary

Notes of meetings with Kevin Davis of Norwich Solar Technologies

WCA Board, Owners, and Belleterre Management

24 October and November 8, 2019

A WCA owner emailed the Board and Belleterre asking if we could investigate how owners could be involved with “green energy” electricity generation via solar panels. Thus, the Board and Belleterre invited Kevin Davis of Norwich Solar Technologies to meet with us. Kevin was recommended to us by the ECA office because he was involved in building the solar array on Clearwater Drive. Kevin initially met with Paul Etkind of the WCA Board and Terry Jones of Belleterre on October 24 to provide us with a primer on solar energy, with a thought of whether it is feasible for homes in West Cove A. Kevin then agreed to attend the November 8 Quarterly Board Meeting to meet with the full Board and those owners who attended. The following notes are a combination of notes taken from both presentations. We are very grateful for Kevin taking this time for our education.

Kevin explained there are **two options**: placing panels on a unit rooftop or investing in an offsite array.

Placing solar panels on condo unit rooftops

There are many trees around WCA. That limits the possibilities of placing panels on rooftops unless there is a major tree-cutting campaign. That is unlikely to be approved by the Eastman Conservation Commission. Some of the tree-cutting would not be allowed because of the NH laws limiting cutting within 250 feet of the lake’s shore.

Kevin did a drive-through of WCA and estimated that there are 4-5 roof sections where there is enough sun exposure to be feasible for solar panel placement. Each roof section could hold perhaps 6-8 panels. Most roofs do not have sufficient exposure to the south for maximum sun exposure. You also need to install the panels at a certain angle to ensure enough of a slope for snow to slide off. Any shade will diminish the extent of electricity generation, and the long winters also diminish the extent of electrical generation.

Kevin estimated that, with 6-8 panels, each generating 300W could generate as much as up to 2600 kW hours of electricity. That would return approximately \$320 at today’s cost of electricity. It costs approximately \$7200 to install these panels. Bottom line: it may take up to 20 years to recoup the initial investment.

Complicating the investment picture is a federal government Tax Credit program. There is currently a 30% Federal Tax Credit available for newly installed solar projects. That tax credit (not a rebate) can be used against taxes you might owe to the federal government. For instance, if you owe \$3000 in taxes when you file your federal return, but you also spent \$10,000 on a solar project that same year, you would have a \$3000 credit (30% of the \$10,000 cost for solar). Thus, your final amount owed to the IRS would be \$0. If you can’t utilize the full value of the credit in a single year then you can roll the balance of the credit into the following tax year, for up to 20 years. You can also “claw back” the credit for any taxes you might have paid last year. So another example, if you paid \$1000 to the IRS last year, and expect to pay \$1000 again this year, then the same \$10,000 investment in a solar project would get you a \$1000 refund from the taxes paid last year, make the amount you owe this year \$0, and leave you with a balance of \$1000 of tax credit to be used in a future year. That credit amount decreases to 26% next year, unless Congress decides to extend the 30% level. It is currently unknown if the federal government will reinstate tax credits.

Different from the Federal Tax Credit, there has in the past been a NH State Rebate program. The program is now closed to new applications and no guidance has been provided on if or when it might reopen. When it was last open the maximum amount of rebate money that could be applied to a residential solar project was \$1000. Unlike the Federal

Tax Credit mentioned above, this rebate was simply a check that you would receive from the state (regardless of your tax situation) once the solar project was completed.

There are variations on installing panels on rooftops. A neighbor or neighbors can share the installation costs of panels placed upon one roof. Eversource will divide the benefits of the electricity that is generated to each of the partner accounts. However, the panels on the roof will belong to the owner and partners, while the roof is owned by the Association. Installing 6-8 panels requires several hundred fasteners, so there is a possibility of not all fasteners being sealed properly. If a leak occurs, the owners of the panel will have to share in the costs of removing the panels before the Association can make any repairs, and then the panels will have to be reattached. The extra costs push back the financial break-even point. In addition, ownership of the panels would have to be a factor when any of the owners decide to leave Eastman. If an owner leaves Eastman but stays within Eversource's business footprint, they could shift the rebates to their new account number. That assumes that the new owner will consent to have the panels remain on the roof but deriving no benefit from their presence. If that owner leaves the Eversource area, the remaining owner(s) would have to decide to recruit a new owner or to redistribute the rebates. What happens if an owner sells his/her/their condo but the buyer does not want the panels on "their" roof? Another possible complicating factor would be that the solar panels and the roofs both have "life expectancies" of 25 years. It would be best to replace a roof before installing panels. Will the owners agree to having the Association replacing rooftops when not structurally needed?

Panels on the rooftops would require a new set of by-laws to be drafted, and then ratified by an owners' vote, to respond to the many ownership/benefits/repair issues. This could be an expensive task from the Association attorney, even more so since there are relatively few roof sides that face south and are not shaded to some extent by trees.

Net metering (aka, "Virtual Array," or "Community Solar")

The other option is for people to be (part-) owners in a large array that would probably be off-site. The company that builds the array would lease or own the land for 25 years and would run it like a condo association: there are individual owners and the repair/management would be the responsibility of the builder (e.g., Norwich Solar or some comparable company). Thus, whatever rebate the owner would get would be diminished by some percent (e.g., 15%) that would be paid to the contractor for its management services. The electricity is not delivered directly to the array owners. The credits would be apportioned to them, instead.

There is one array on Clearwater Drive that is owned by ECA. Is there another area within Eastman suitable for another array? An array needs to be on dry land (no swamps or bogs), and in proximity of a power line so it can easily connect with the grid. An area with underlying ledge is more expensive to build upon. We don't know of many other suitable places within the ECA. We talked about the old tennis courts at the intersection of Cove Drive and Road Round the Lake. Kevin felt that the lot would suffice for approximately 10 investors, but two sides (south and west) are bordered by tall trees, thus increasing the extent of shade and decreasing the efficiency of the site. It was felt unlikely that Eastman would approve extensive tree removals from there. The Stump Dump was also raised as a possibility, but it would also be difficult to build upon without a very expensive clean-up of existing debris. To be clear, both locations are owned by ECA. Any proposed use of an ECA-owned area for a solar project would have to be negotiated directly with the ECA.

The best option is to look for arrays being built or planned elsewhere. The typical buy-in would be approximately \$3 per watt. A typical solar panel can produce 350 watts. Thus, each panel would cost approximately \$1260. There may be a minimum investment of \$12,000 to be part of an array. Kevin estimated that, given an array being optimally placed in a south-facing direction with minimal shade cover, investors may recoup their investment after 8-10 years.

Kevin noted that Norwich Solar Technologies would make a vigorous search for an appropriate site if at least half of the WCA owners, or perhaps more broadly, a similar number of Eastman condo owners, wanted to buy in to a community solar project. With that level of commitment, Norwich Solar Technologies could devote development resources to finding a suitable project site as soon as possible. The ultimate ownership of the “site,” meaning the real estate that the solar project would be installed on, could be structured in various ways. Norwich Solar Technologies does buy land to host solar projects, though it does not currently have such a parcel in Eversource’s utility territory. The company can also lease land from others for this purpose. Another option is for Eastman condo owners to choose to buy or lease a parcel on its own and then contract with Norwich Solar to develop and construct the solar project. Norwich Solar will likely be developing at least one project like this in 2020, regardless of the level of interest from WCA, and could offer shares in that project to interested community members.

Eversource would not be a clearinghouse of such info. One would have to contact the contractors to see if they are looking for investors for arrays being planned or built. This is not something for a condo association to spearhead. It would be the individual owner’s responsibility to engage with a contractor. Individual owners can create investment groups, and they do not need to be exclusive to WCA owners. They just need to be owners who live within Eversource’s service area.

Bottom Line Summary

Community solar is a viable option for those WCA (or other Eastman group) owners who are interested in pursuing it. This can be structured in a several ways. Rooftop solar within Eastman condo associations really isn’t a viable option primarily due to shading, though other complicating factors do exist as well due to the ownership structure of the condo buildings.