

Solar Development Project

Lapeer-Cortland Solar, LLC

Project Rationale

Lapeer-Cortland Solar LLC, 601 13th St. NW, Washington, DC, has acquired a lease on property at 2223 Clarks Corners Road and 2160 Harvey Hill Road in the Town of Lapeer where it is proposing the installation and operation of a 100-acre, 15-megawatt solar photovoltaic energy facility.

The company's \$27 million investment will include the purchase of electricity-generating equipment in the form of solar photovoltaic modules and ancillary equipment including solar inverters, combiner boxes, and medium voltage transformers to assist in the creation of stable electricity metered at the point of connection to New York State Electric and Gas infrastructure.

The company is seeking a 30-year PILOT from the CCIDA to incentivize the project, which will:

- Provide new revenues to affected taxing entities totaling \$1.35 million over the next 30 years (\$45,000 per year pro rata to county, town, and school);
- Provide additional Fire District tax revenues (\$243,824 over the next 30 years);
- Maintain current tax obligations on the underlying property (2018/19 value \$7,815.77);
- Provide electricity bill credits of 5 to 10 percent for eligible customers (estimated delivery and supply savings for ratepayers \$6.7 million (residential) or \$3.4 million (commercial) over 30 years, respectively);
- Include \$2.59 million in upgrades to NYSEG distribution infrastructure in the towns of Lapeer and Marathon. The upgrades will relieve rate-payers of any potential future costs to improve the system as power reliability and quality are enhanced for residential and commercial use;
- Bring up to 120 workers to job site on an almost daily basis over the course of the six-month construction. Workers will likely contribute to the local economy through food, fuel, and hardware purchases and other support services; and
- Reduce the state's carbon footprint in accordance with new renewable energy goals set forth by the Cuomo administration. Using New York State Public Service Commission estimates that the cost of carbon is 2.741 cents per kWh, and with projections that this project will create \$757 million kWh over the term of the project, state residents will reap a benefit of more than \$20 million in avoided carbon costs over the next 30 years;

The project is to begin in 2019 and will be completed in early 2020. Staff is recommending approval of CCIDA incentives for this project as further detailed in the attached.