

**Bristol Town Administrator**

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**From:** Ralph Meima <ralphm@greenlanterndevelopment.com>  
**Sent:** Friday, February 14, 2020 12:10 PM  
**To:** Sally Burrell  
**Cc:** Bristol Town Administrator; Ian Albinson; Jody Schroeder  
**Subject:** Re: [EXTERNAL] Net-metering credits for the Town of Bristol from Bristol South array on Route 116?

Hi again, Sally

I have inserted responses directly below.

Have a good weekend,

Ralph

On Feb 14, 2020, at 8:50 AM, Sally Burrell <[sallybinvt@gmail.com](mailto:sallybinvt@gmail.com)> wrote:

Thanks for the draft, Ralph.

It would be helpful to understand the possible impacts the net-metering agreement could have regarding changes over time. Please describe the factors that would affect the level of satisfaction Bristol could have over the 20 year period.

For example, Is the net-metering discount you're offering subject to change over time? Why and how?

The net-metering credit discount rate we're offering (10%) will stay the same for the term of the agreement.

Is it guaranteed that Bristol will always be realizing savings in relation to what GMP charges/kwh on our allocated meter bills because of the agreement?

Bristol will always realize savings because you'll always be able to buy the credits at a discount. The value of the credits is likely to gradually rise for the first ten years due to a rising blended residential electric rate (while the adjustor of +3 cents/kWh stays constant). At 10 years, the adjustor will disappear (this is in the regulation), so the value of a net metering credit will decrease, but then presumably start rising again for the rest of the agreement's term.

I can bring a cashflow table that shows exactly how these numbers change from year to year, as well as the Town's total savings over time.

Predicting future electric rates is guesswork, although the long-term trend has been upward by around 2.5% per year, which is what we use in our calculations.

Another factor is the gradual decline in annual array output due to degradation of the solar cells. We normally assume a 0.4% degradation rate per year, and factor that in.

Because the Town receives guaranteed savings, regardless of rate fluctuations, the only risk the Town assumes is the risk that its electric consumption might drop so much that the 10% buffer is exceeded, and then the Town starts accumulating credits it has agreed to pay for but cannot use. However, this is not really a risk because, with a little warning, Green Lantern will be able to re-allocate those credits to another off-taker. This is an advantage of working with Green Lantern, as we have a large installed base of arrays around Vermont, and scores of off-takers whose needs

evolve and can be anticipated and managed by our asset & customer management office in Brattleboro (who you can always call to discuss such things.)

My prediction is that electric use will grow in the future for most off-takers due to increases in vehicle charging and heat pump use, making the over-subscription of net metering credits unusual. But one area to watch is small elementary schools, which may see closures in the future.

I hope that answers all of your questions, but don't hesitate to email or call.

Ralph

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**Ralph Meima**

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**From:** Sally Burrell <sallybinvt@gmail.com>

**Sent:** Friday, February 14, 2020 8:50 AM

**To:** Ralph Meima <ralphm@greenlanterndevelopment.com>

**Cc:** Bristol Town Administrator <townadmin@bristolvt.org>; Ian Albinson <ian@bristolcore.org>; Jody Schroeder <jodys@greenlanterndevelopment.com>

**Subject:** Re: [EXTERNAL] Net-metering credits for the Town of Bristol from Bristol South array on Route 116?

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Is it guaranteed that Bristol will always be realizing savings in relation to what GMP charges/kwh on our allocated meter bills because of the agreement?

I realize there are many benefits to a net-metering agreement besides financial, but protecting tax payers is a high priority.

Answers to these are needed before we can present an agreement to the selectboard.

Thanks, Ralph.

Sally