

SUSSEX COUNTY RENEWABLE ENERGY PROGRAM (Program)

FREQUENTLY ASKED QUESTIONS

1. What is the Program

- a. The Program provides solar panels to eligible participants at NO capital cost to the participants. The solar panels produce renewable energy that can be used as an on-site source of electricity, all at a price lower than paid to existing utilities.

2. Who can participate?

- a. Municipalities, boards of education, local authorities (Local Units), all residing within Sussex County (County), are eligible participants. Non-profits are allowed under applicable law, but for pricing reasons, will not be considered in the County's initial program. The County is reviewing if it will have a non-profit program. Private firms and homeowners are not eligible under applicable law.
- b. The consultant team will review your past year's electric bills, per site, your roofs, parking or ground mount areas, and provide a determination of eligibility for the Program, based on cost, roof age, roof warranties, shading, direction, etc. In order to have this review undertaken, Local Units need to fill out the potential participation form found at the County's website (www.sussex.nj.us click on "County-Wide Solar Program" under Board of Freeholders on the left menu) for EVERY conceivable location where solar panels may provide an alternative electrical source of power for a Local Unit need.

3. How do I learn about the Program?

- a. Attend one of the Outreach sessions being held by the County for the Local Units at the County Administrative Center, One Spring Street, Newton. The meeting for municipalities and local authorities will be held at 6 p.m. in the Freeholder meeting room on April 6, 2011. The meeting for local Boards of Education will be held at 6 p.m. in the Freeholder meeting room on April 7, 2011. If one can't attend the specific conference for your type of Local Unit, most of the information is available on both nights, so attend the other night.
- b. After the outreach meetings, copies of the power point presentation will be available from the County Administrator's office upon request to County Administrative Secretary Cathy Williams by email at cwilliams@sussex.nj.us, or call Cathy at (973) 579-0250. The power point presentation will also be posted on the County's web site.

4. What are the primary benefits of participation in the Program?

- a. Renewable Energy, helping the State meets its Energy Master Plan goal of 30% renewable energy by 2020.

- b. NO capital cost to the Local Units. The Program is financed by Morris County Improvement Authority (MCIA) bonds, guaranteed by the County. The bonds are repaid by a competitively procured solar developer to implement the Program. The solar developer designs the systems, acquires, constructs, installs, operates and maintains the systems for the 15 year permitted contract period under State law.
- c. Lower electric bills, which are a direct tax levy cap savings for the Local Units.
- d. On-line monitoring of environmental and cost savings, along with site located kiosks, which can be used as course curriculum for students.

5. *Why is Morris County Improvement Authority (MCIA) involved?*

- a. The County has not incurred the cost and expense of establishing its own county improvement authority to date. The powers of an improvement authority are needed to implement the Program. The County determined it was cost and administratively efficient to effectively hire the MCIA and its experienced team of consultants under the Shared Services Act to implement the Program. In addition, Federal subsidies that enhance the Program expire at the end of 2011, so there would not be time to create an improvement authority within the County and implement the Program for 2011.

6. *Has this been tried elsewhere and does it work?*

- a. MCIA and Morris County closed the pilot Program in February, 2010, and with a fixed power purchase price of 10.6 cents, plus 3% fixed escalation, under a 15 year power purchase agreement (PPA), saved 35% for 5 boards of education, and 22% for 2 Morris County entities, at 15 sites, producing 3.2 MW of renewable energy.
- b. The Somerset County Improvement Authority and Somerset County closed the second Program in November, 2010, and with a fixed power purchase price of 4.8 cents, plus 2.75% fixed escalation under a 15 year PPA, saved 60% on average across 31 sites for 15 Local Units, producing 7.6 MW of renewable energy.
- c. Several other counties are in the process of undertaking a Program. The State Local Finance Board has reviewed the Program, and has issued unqualified, positive findings for each transaction having come before it.