

Tompkins County Industrial Development Agency

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Lansing Renewables, LLC (Nexamp) – Community Benefits Overview

2/13/2018

Project Overview

The applicant, Lansing Renewables, LLC (a subsidiary of Nexamp), is proposing a 5 megawatt (MW) community solar array located at 339 Jerry Smith Rd. in the Town of Lansing. The Project in total will generate enough clean renewable energy to power approximately 1,000 homes. The project will cover approximately 24 acres of farmland. Residents and businesses in the NYSEG load zone C, which includes Tompkins County, will be able to sign up for electricity at a 10% discount.

The two parcels currently receive an agricultural exemption. Estimated town, county and school district taxes paid on the 57 acre parcel were approximately \$4,017 in Town, County and school district taxes. The applicant has requested a payment of \$4,300 per megawatt for 20 years with a 2% annual increase, which is consistent with the IDA's offsite commercial solar policy. The first year tax payment would be \$21,500.

A letter from the Town of Lansing supporting the IDA delivering a PILOT for this project is currently in process. This is also a condition of the IDA's off-site community solar policy.

This project is operating under the Value of Distributed Energy Resources pricing model initiated by the Public Service Commission, which projects a net decrease in revenues over the net metering pricing that was in place for earlier projects.

Cost-Benefit Analysis

- Extent to which project would create and/or retain private sector jobs – The Project will not create any on-site jobs.
- Estimated value of tax exemption

The Project is financially unfeasible if a reasonable, predictable payment amount is not established via a PILOT. At full estimated valuation, the project would pay as much as \$130,000 in property taxes in year one, an amount that estimated revenues can not support. The proposed PILOT of \$21,500 in year one yields revenue to the taxing jurisdictions that would not be realized if this project does not move forward.

- Estimate of private sector investment to be generated by the project – \$7,938,137
- Likelihood of completing project in a timely manner

There is a reasonable expectation that the project will move be constructed and receive permission to operate before year's end. Nexamp has built over 200 projects totaling 100MWs of solar energy and has a proven track record of building projects on time and to the highest construction standards.

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Twenty five percent of the interconnection fees have been paid. The project is on track to receive planning board approval during first quarter of 2019.

- Extent to which project would generate additional sources of revenue for local taxing jurisdictions
The project would generate \$522,393 in new property tax revenue over 20 years.

- Other benefits that might result from the project:

The project will provide approximately \$83,000 in electricity savings every year to subscribers in the eight county NYSEG load zone C, or over \$2 million dollars over a 25-year period.

The project will reduce carbon emissions by providing renewable energy generation to power approximately 1,000 homes. The project supports the States renewable energy goals and the County's carbon emission reduction goals.