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Speaker 1 ([00:01:28](#)):

You wanna record

David B ([00:01:29](#)):

This? So I I just, I just hit it when he said that

Speaker 1 ([00:01:34](#)):

Standing

Speaker 3 ([00:01:55](#)):

Business

Speaker ([00:01:56](#)):

Gonna say consideration is we watching all of our,

Speaker 1 ([00:02:10](#)):

I'm pretty sure

Speaker ([00:02:14](#)):

I don't if we were anything

Speaker 1 ([00:02:27](#)):

<Affirmative>

Speaker 3 ([00:02:30](#)):

Yourself, you think it's sensitive.

Speaker 1 ([00:02:31](#)):

So so, so the NB rate that is in the proposal from that is the standard operator. Is that the standard 75 cent?

Speaker 3 ([00:02:45](#)):

It's it's what's called the tariff, which is we give you a credit for a hundred percent of whatever the standard offer is for that time period. And 75% of the TND rate as said by a commission each year. So the commission sets that so it's not, neither is perfect, right? Because the standard operate, they know what that is. If you're on standard, not be on the,

Speaker (00:03:21):

The credit still standard and it's somewhat depending on which class count is which, I dunno, the large standard portion they're looking back

Speaker 3 (00:03:42):

From, there's a lag. Yeah. There's, you'd expect there to be a lag the way it's set, which could work to your advantage if power prices start to go down right now.

Speaker 5 (00:03:53):

But, so, so in the, in the offering and basically,

Speaker 3 (00:04:01):

Yes. And what they did, they went back and to their, so what's going on in the markets right now is, well, what's going on right in the markets is exactly like in the regulatory situation is that the state Maine lucrative types of contracts. And then CMP and the legislature and others started to raise the, the CMP raised the rate impact issue. The commission is now pretty concerned about the rate impact issue. And the legislature passed some amendments in 21 did effectively retroactively change the qualifications for a number of, of any B contracts. And so you would ordinarily expect, and the number of contracts out there in, in some form of being pending or is quite bad. It's, it's greater than the state's entire, but, but you ordinarily expect attrition anyway. Even if

Speaker 3 (00:05:11):

With no regulatory action, you'd expect attrition of a quarter to a third of the solar project to go forward because financing doesn't work out. The developer doesn't work out, something happens, the eep C contract becomes too expensive. Any number of things can happen. The developer themselves goes under which you know, some of this market that may happen, most not. But so that would be ordinary attrition in this case, since those 21 amendments severely changed the qualifications, there's gonna be a much higher rate of attrition and that is still playing itself out. And will be playing itself out for the next year or two with developers for a variety of reasons. Your business people you'd appreciate, no one wants to go to their boss or their parent company and tell 'em that the deal they negotiated last year and paid bonus on is not gonna go forward.

Speaker 3 (00:06:08):

And a lot of are trying to figure out how to save projects, it seem to be in trouble and doing now, now. But I would anticipate that the attrition rate is likely to be in a range of my, this is just my guess, in the range of 50%, probably at least 40%. So it'll be much higher. So we're seeing a lot of activity with companies doing what Encore is doing here with the law is impacting us. Number one, inflation is impacting us which is clearly the case. Interest rates are impacting us, which is clearly the case cause these projects are all financed with a third party financier. And and C M P is on interconnections in the cluster studies. Things are going a lot slower and harder than was anticipated. That's sort subject onto itself. And so for all of those reasons we're, we're sort of, we're in and sore, not surprising.

Speaker 3 ([00:07:17](#)):

And what I will say, I can say this on the record, is I've negotiated a number of contracts with OnCore. We don't represent them, I don't have any relationship with them, but they, they have offered generally the best deals, particularly to municipalities that in the market period. I've seen, I've only seen one better deal than the deal that Encore not this deal because the structure of this is a little bit different on your landfill, but they offered some talents in your county a very good deal and they've had to go back to them and say, look, we just can't honor the, you know, the terms of this deal. Causen money can't finance it, which is what I would expect. I mean no matter how good the contract is, I negotiated for them. If the party on the other side is gonna lose a ton of money, they can't find asset, which,

Speaker 6 ([00:08:06](#)):

Which could be a little disingenuous, right? They could just like, you know, bid anything right and to win the RFP and then go back and

Speaker 3 ([00:08:13](#)):

Negotiate. They could, but I mean these are a bunch of guys outta odd. I think they're, yeah. So I mean I experience, I think they're dealing with you in good, in good faith. And I don't think they're completely inexperienced. They, they've been in the market, some of them didn't power development. My conversations with 'em, I just think they, they offered too much to everyone and, and didn't, I mean others we dealt with are taken a lot more in the deal,

Speaker 1 ([00:08:39](#)):

Look like from the outside. Million is they were aggressive in market, came in with aggressive price, used a book of business to sell cause they had to get financing. They finally financing million debt a single outta New York. And but their behavior towards aggressive deal with us was, I understand, you know, we gotta redo this. They weren't radio. We sat there for two years and they wouldn't answer our questions and say where they were on the project. Okay. And the same people who were in charge were there when that happened. And, okay. Cause I wouldn't, the executives, where did they come on board? What was going on? Same people. Same people. They were there when this deal was signed,

Speaker 3 ([00:09:38](#)):

You

Speaker 1 ([00:09:38](#)):

Signed earlier and we wrote them a note that said, where are you? What have you done? What's happening before we negotiate price and we got nothing.

Speaker ([00:09:48](#)):

I think that's, that's part of our frustration is that, you know, it's been, it's it has been since we chose. Yeah. Yeah. So we, so to them,

Speaker 1 ([00:10:00](#)):

So what we heard from them only is essentially we like to renegotiate price and we said before we do that, there's some other things we'd like to know and we got nothing.

Speaker 3 ([00:10:13](#)):

Well, and I think I, I do think from my understanding, some of you may know otherwise that this memo wrote, I don't think it's been shared with yet. Cause Matt sent this to me and I said we should talk, sit down and talk to the committee first. So I don't, I, to my knowledge, this hasn't been shared with them in the memo wrote on November 20th, but yeah, no, that's unfortunate they didn't back. I have had the same thing from other, I negotiated with, with clients that asked me, so when is this deal gonna go live? And I asked them, don't hear from them and ask them again. Again, those are some of the better deals. So I mean I'm excuse

Speaker 1 ([00:10:55](#)):

When you come back with changes and you're not addressing any of the past relationship problems or even acknowledging they exist, it's a real problem for me as a counterpart. Yeah,

Speaker 3 ([00:11:09](#)):

No, that's fair. That, that's fair. So again, I just wanted to explain the context to you and then I think, you know, I dunno how you wanna proceed, but I mean my overall perspective and thing you'll see here is that I think I have negotiated for other clients entire development deals, which it sounded like you were considering your last option where you would do it yourself. In the end, one particular client paid probably almost 30,000, maybe more actually for me, one of my colleagues who does construction audit to put a deal together and I gave them very frank advice as I always would on the risks and the benefits. And in the end they said, know what for the savings here and the hassle, it's, this is just not worth it. Like we'll still save some money, but, and so that may my opinion, it was a separate experience I had negotiating a pretty good, you know, as well as we could for an in-state development deal.

Speaker 3 ([00:12:10](#)):

But, and so that we'll get into that I think with some of the options to be looking at, and I'll explain to you what you take on if you're gonna do the project yourself, which is, which is viable if you have a group of, of volunteers who really want to take it on and like make it their project. But it's a long term endeavor, right? It's not just a year or two. It's until you get a constructed and then even then you need someone to manage it and oversee it and work with whatever m contractor you have come on board and you need someone in the town to look into production. So

Speaker 5 ([00:12:46](#)):

Based experience, are you saying the rates, the PPA rates that they're proposing are reasonable based? You're seeing?

Speaker 3 ([00:12:55](#)):

I, yeah, the pricing is, this is still, I told this to Matt, that's why I said I, I should talk with you. I said this pricing is still better than I got a year ago before any of the basic changes in economy happened before inflation went crazy before interest rates. Wow. So I think

Speaker ([00:13:12](#)):

One, I think one concern that we have is, so we had a great deal before and, and not only do we have this deal, but we also have a separate deal for them on like a remote project,

Speaker 5 ([00:13:28](#)):

Supplemental

Speaker 3 ([00:13:31](#)):

Supplemental

Speaker 5 ([00:13:33](#)):

Power.

Speaker 3 ([00:13:33](#)):

Okay. So in additional offsite contract with the same type of contract that was actually floated, that was a discount fixed price.

Speaker ([00:13:43](#)):

It was, it was separate. We did those separately at different times, but probably six months of each other. But one concern we have is it's great to have this great price, but what are we gonna do to make sure they actually build the project? Like what, what,

Speaker 3 ([00:13:59](#)):

Yeah. And that was what that, that is where I would've ended up at the end of the meeting if we didn't get there, is I think if you do wanna keep this contract in place at the end of the meeting, I think those are the bigger issues I did ask. So because he said now cluster has clear, which is I might be telling something you already know, but the reason he's there's this delay is that this was tied up with a cluster study. It gets involved by CMP as got a coming in here. So much load could impact the transmission system. And so they have to do a study to see what the impacts would be on the bulk transmission system, even if they have all their state approvals. So even signing the I agreement, signing agreement, they have to get that, it's called an 39 approval from is, and I said, so was that done now? He, he said yes,

Speaker 6 ([00:14:52](#)):

It's, it's actually

Speaker 3 ([00:14:54](#)):

Okay.

Speaker 6 ([00:14:54](#)):

Yeah. 15 just results of 15 of which this is part were just delayed until March. It was scheduled for approval in January. It is, it is been a enough.

Speaker 3 ([00:15:11](#)):

Okay, well that's, that's because I, I mean

Speaker 6 ([00:15:13](#)):

It's now this is, you know, as a sub one megawatt, you know, it is not, it's not technically subject, it has to wait for the rest of the cluster to clear. But as a small, when you're under a megawatt, you know, you are essential. You do not have to go through make cost per se, but the rest of the cost hasn't.

Speaker ([00:15:36](#)):

Okay. So does this mean that we're gonna have wait until March to get the interconnection agreement with C because of

Speaker 6 ([00:15:45](#)):

The rest of the cluster? Correct. And not only that, you have to wait until any upgrades that are identified in this cluster are implemented before this, this project could come up. I mean that's, that's the case. Yeah. Regardless. Yeah. But

Speaker ([00:16:00](#)):

And so that cluster stood equal that impact the interconnection cost of this project.

Speaker 6 ([00:16:05](#)):

So I it is, it is true that that CMP has given sort of a, a little look, you know Yeah. Behind the curtain. Like you're probably, you know, it's a very small cluster. Yeah. And you know, it's sort a robust part of this field. So there, I think the upgrade, yeah, likely enough likelihood of an upgrade here is very low. So I think it's probably

Speaker 3 ([00:16:26](#)):

Of a total upgrade for the whole cluster.

Speaker 6 ([00:16:28](#)):

Total upgrades and I think like, you know, the keep Elizabeth sub and this sort of little corner of the cluster almost,

Speaker 3 ([00:16:35](#)):

And they may not have cost allocated to this project anyway, so its size. But the bigger concern would be a delay. Cause

Speaker 6 ([00:16:43](#)):

If,

Speaker 3 ([00:16:44](#)):

If, if the construction to accommodate whatever's required goes beyond goes into 2024, you then running into an issue of qualification with the program, which CMP hasn't taken a firm position on that yet. But I expect them to take a position that if you're not fully constructed by the end of four, you're dead in the and I expect I'll be probably commission seems to kill all providence.

Speaker ([00:17:14](#)):

Oh, I wasn't aware of that issue. So it's possible that it is, the cluster cities and interconnection setting aren't completed in time. And that's the project so much then

Speaker 3 ([00:17:28](#)):

That that's not a, a decided issue yet. But from what we're seeing it appears that CMP is getting sort of contemplating taking the position that if you're not fully constructed by the end of 24, you don't, you don't qualify under the program. And that is an interpretation of the one amendment it was passed. The legislature could change that even if, even if that's what the commission does. But I think which way the commission goes on, that's gonna depend entirely on the other attrition that happens. If they, if they're still feeling like they need to cut projects to hit the target that they then they'll probably look more, lot more

Speaker 5 ([00:18:08](#)):

Demand. Why are they, why do they wanna limit the number of projects? What's the

Speaker 3 ([00:18:13](#)):

The rationale is that that was articulated and considered in the legislature was, I mean, when you, these, the cost of these projects all needs to be paid somewhere else. So into elsewhere. In other words, they're just like roof top solar, the CM P keeps in accounting of what the difference is, but they still have to pay the full grade of the standard offer, which, and they, and the t d charge, they're entitled to it. So they're not, you're not actually getting a discount. What CMP has, you're getting a discount on what goes into that account. And there's, so it's a separate matter then a, a very sort, a bill builds up to make the utility and the standard offer providers whole and that payers elsewhere. And that's gonna be, I'm sure you'll continue to hear about it.

Speaker 5 ([00:19:13](#)):

So what, so what costs,

Speaker 3 ([00:19:14](#)):

Sorry.

Speaker 5 ([00:19:16](#)):

So what could, what costs on CMP is not a generated electricity. So, but they they just have to pay us the rate

Speaker 3 ([00:19:25](#)):

They have to Yeah, they, they, well they, yeah, they give you the rate and then you paid a third party company and and you get that it's a dollar credit actually, it's not a rate you get to credit that against your bill. But anything that CMP is short and they, CMP has to collect the standard offer and they, they anything, they're short on the t d side for the standard offer side, they put into an account, an accounting mechanism and they collect that at the end of the year. And that's, it's, they, it's referred to as stranded costs recovery. But it is, I think that's scored a misnomer because stranded costs was what we did under restructuring. This is a whole new set of costs. This is really any cost recovery. And it'll be, it'll be a big chunk. I mean, what I tell clients is, you know, probably they'll probably end up pretty close to even, because get a little bit ahead if they do one of these contracts, but if they don't do one of these

contracts they'll probably, so a little bit better be clear. But if they don't do one of these contracts, they're still gonna paying for.

Speaker 5 ([00:20:35](#)):

So the POC establishes the, the tmd. How does that, how is that rate established?

Speaker 3 ([00:20:41](#)):

That's the current rate case's pending right now that you read about the newspaper filed another case.

Speaker ([00:20:47](#)):

They basically, like in in general, if, if you're not aware, so they, they're basically you know, they're a regulated monopoly. So they're, they're recovering all their costs. Okay. And they're, they have a rate case pending right now. So they've gone forward and they say what all their costs are and, and there's a, there's a basically a whole proceeding about whether or not,

Speaker 3 ([00:21:10](#)):

And a lot of people write and saying they shouldn't be whatever rate rates. The reality is it's, they're allowed recover. It's is that they get depre rates. Huge difference. No one pays attention to those cause

Speaker 5 ([00:21:28](#)):

So why is it, why is, why is the <inaudible> only 5% between,

Speaker 3 ([00:21:33](#)):

That's what the legislature decided. It was a push and pull and what they decided was if, if we're gonna give credit to commercial and industrial, we're not gonna give hundred credit would be. And indeed these contracts have been incredibly popular. So I think

Speaker ([00:21:52](#)):

Very lucrative.

Speaker 3 ([00:21:54](#)):

That's

Speaker ([00:21:54](#)):

Why there's been all this, like that's why there's so many projects were proposed.

Speaker 1 ([00:22:12](#)):

Although

Speaker 3 ([00:22:14](#)):

Program,

Speaker 1 ([00:22:15](#)):

Whether you're developing or nation dozens that look exactly like that all got signed up, they go, okay, well we're gonna grandfather in most of the people who here, but we're gonna, this is not now gonna be our declining rate. So we can give certain that's

Speaker 3 ([00:22:33](#)):

True. Except in this case they didn't. Most the people it's gonna be,

Speaker 5 ([00:22:39](#)):

So what's conditions contract this are concerns different from what is normally included in the contract? And if not, how are our concerns get added on

Speaker 1 ([00:22:57](#)):

To what a standard contract. Okay, so

Speaker 3 ([00:23:01](#)):

That's a good question. So one of the things that makes this contract different is that they're doing it on your land. You, so like for instance in the memo that you wrote, if someone, you know, ask a good question about the termination provision and how that works here. It's a good question. Cause that termination provision is drafted, right? When you're not on your own land, when your own, it's fairly meaningless unless it was addressed. I would prefer to address that at the least I haven't seen the lease. You know, they have the lease and you give them, say they're not generating power for us and we get to keep their improvements, which happened to solar panels. But so that provision appears just not to have been modified for, it looks like it was shooting into something that's a typical provision. But when they actually acquire the lease from some, that's not when they're on your own land. So they're on your land is one big difference. The other difference is that most, most of these projects are just below five megawatts cut off if this one's below line. So it's a, it's a smaller project. And that's neither here nor there except it is a smaller project.

Speaker ([00:24:12](#)):

Doesn't that doesn't that mean that some of those like those changes that were were made to the program don't apply to this project. That's what milestones like, and I don't know if they would even have applied to us, but when I was reading through like the milestones for the projects between two and five megawatt had to your had customer, you were under your smaller project, it seemed like those didn't apply.

Speaker 3 ([00:24:49](#)):

Yes. Yes. I that that's right. And the, the date that I just said we might be concerned with the end of 2024 may not apply here because of the current structure. I haven't, I need to look at that.

Speaker ([00:25:03](#)):

I think there might be some exemptions for municipalities there too, but I can't

Speaker 3 ([00:25:08](#)):

Remember. There's, yeah, I saw some other stuff

Speaker ([00:25:12](#)):

That like, sort of gave us the leeway but

Speaker 3 ([00:25:18](#)):

Not sure about that. I looked at some of specific stuff and I didn't see anything

Speaker ([00:25:24](#)):

Original.

Speaker 3 ([00:25:25](#)):

There is, there are some exemptions. I just didn't see anything Were clickable here to this, to this structure. So so I mean what we're talking about here if you want is really do you wanna restructure the contract? Do you go with and or go with someone else? Do you want to consider going with Encore? Do you wanna consider doing your own, your own construction? Those in the memo, all three of those options are on the table.

Speaker ([00:25:56](#)):

Well

Speaker 5 ([00:25:57](#)):

I guess part of the question I've got is that is no, can the contract be structured so that we're not having this meeting a year from the same meeting a year from now?

Speaker 3 ([00:26:09](#)):

Of course I can structure a contract that way, but in the real world, can I provide that outcome to you? I'm not sure I can, I mean that's my, my frank advice. Like no matter how good of a contract I structure for you, if something happens in the, in the market makes this

Speaker ([00:26:27](#)):

One thing that we would, well one thing that we don't have now, but I think would be good to have and like be gettable is we need the connection in region. Cause right now I don't think we know what happens. So say we decide we don't wanna go with Encore, they've already been working on the interconnection agreement and we go with someone else, we don't wanna start that process all over again. So how like,

Speaker 3 ([00:26:57](#)):

Oh you mean you want the benefits of it, you don't wanna just review it.

Speaker ([00:27:00](#)):

We, we, yeah, we would,

Speaker 6 ([00:27:02](#)):

We want an assigned

Speaker ([00:27:03](#)):

To us. We want it assigned to because it's the town's land, no one else can build a project there. So like can there be some kind of provision that if, if they don't build a project for this price by this date, they need to transfer the interconnection agreement to the town of cap Elizabeth for X dollar of effort or something like that.

Speaker 3 ([00:27:27](#)):

That'll be a completely no negotiated term. But I I see why you'd want it.

Speaker 6 ([00:27:32](#)):

Or if we decide to go, you know, on our own yeah, just out however we negotiate that agreement, we want the, the interconnection assignment.

Speaker 3 ([00:27:45](#)):

Yeah. The way you usually structure that may not work here. Cause most of these, most of the time when you sell a project, you sell the llc, the, and and the agreements move with it. Here you're talking about assigning it. So I need to check and see if it's assignable. CM P probably has to consent to that assignment. And so anyway, we can check that. But that usually there's a consent provision. Your municipality, so CMP would probably be reasonable, but my gut instinct is that even if it is assignable, CMP is gonna have to consent to that assignment. You'd also want an assignment of the NEB agreement, which may be a taller order. So you don't have to go through that again, even though you should be able, since you're not subject to any of the cutoffs so far in law you should be able to get minimum on the side. But

Speaker 6 ([00:28:51](#)):

Does that happen in, in the course of an typical, I believe like an MNA transaction you would stamp is assigning or consenting to assignments? So, or maybe it's not the, they're consenting to, I guess renaming. We, we, I think it's

Speaker 3 ([00:29:14](#)):

Usually you sell the, usually if, if the company is competent in setting us set up, they would get all the permits in the name of the project llc. So it be like Elizabeth and you just, you just sell the llc all, all the agreements flow with the llc. So in this case you're talking about assigning out from the llc and I, I haven't, I haven't seen a lot of that

Speaker 6 ([00:29:40](#)):

Wouldn't be

Speaker 1 ([00:29:41](#)):

Just possible had anyway, just let it sit there and if some future reason you can tell to solve the project, actually do the same thing. And we all sitting there on the,

Speaker 3 ([00:29:54](#)):

I don't know the answer to that. There's some tax structuring issues that are pretty complicated for making sure that the developer can get the benefits of the itc, the investment back spread and I that

may be the case, but a municipal ownership under the new IRA provisions, I think solve that under the prior law. That that other than the problem. And so you, you involved with the IRA and asking the question, I think you have to structure it according to the new IRA provisions of which the IRS guidance is just, I think there was some guidance that came out yesterday, but I, and so how that still out?

Speaker 6 ([00:30:42](#)):

Well I think the, I I think the passage of the IRA as recent as it is, I think just it sort of undergirds the argument or, or, or adds it adds more arguments to the idea of us or it enables us more, more smoothly to, to develop it ourselves because of the ability, the, the municipality to take the, the ITTC in the form of, of a direct pay and, and all the other kinda things that they were clearly doing to,

Speaker 3 ([00:31:10](#)):

And, and we have one of my colleagues is has been looking to the I provisions and how they apply particularly municipal. And so she, we certainly help you with that. And, and the benefits are substantial. Your mental and they can be up to 40%. You're definitely not in a low area here, so you wouldn't qualify for that percent, but but it, well I'm might yeah, there's a brown peel add or 10% might qualify

Speaker 1 ([00:31:50](#)):

40%.

Speaker 3 ([00:31:52](#)):

Yeah. So that's good. But what you would lose is you may lose, I shouldn't say you would. I mean I'm not, first of all I'm not tax lawyer, but what you would lose, I, what I was going say is the treatment. And so what I have to run the on is whether cause you're not cut out by any the amendments retroactive make sure that that, that the particular terror mechanism doesn't somehow get cut off and that you lose that because then you would lose the ability to qualify for most of your accounts and accounts. So I need, we need to check that and take a close look at that and make

Speaker ([00:32:46](#)):

Sure

Speaker 3 ([00:32:49](#)):

I'm not works

Speaker ([00:33:03](#)):

All buildings across the street.

Speaker 5 ([00:33:08](#)):

So get back some decisions here. So, so your observations that the PPA rates that proposing are reasonable?

Speaker 3 ([00:33:19](#)):

Well, yeah, so back to that in terms of dealing with them, I mean again, it's, it's, it's, it's what I told Matt and the others, they're these, they're offering, even with everything that's happened in the market, they're still offering you better rates than I got out some other sellers a year.

Speaker 5 ([00:33:34](#)):

Okay then, then how can the contract be changed to address our concerns to make sure it gets built next year?

Speaker 3 ([00:33:42](#)):

Well and that I did ask Jesse that when I spoke to him and I said, look, are you ready to construct? And he said, I yes, I think we are ready to construct information that David just shared with us makes me question that it requires upgrades, that's a, that's a problem. Cause those have to happen before the project can energize. So that could delay it. So if, if you wanna go on for nailing down, the timing and understanding of that is, is pretty important because I'm not sure you lose eligibility though. That's why I said I have to check if if you're not, if you're not cut off at the end of four, then it's not a, it doesn't

Speaker 5 ([00:34:33](#)):

Evaporate. Yeah, of course the of course the, the completion and the dates could be contingent upon completion of dates that are not within OnCourse control. Control.

Speaker 3 ([00:34:43](#)):

They definitely have put that in there.

Speaker 5 ([00:34:46](#)):

So

Speaker 3 ([00:34:46](#)):

Yeah, so it gives them, it gives that,

Speaker 5 ([00:34:48](#)):

But you know, if it's contingent upon these and then x number of months after that's approval, then the dates are there. Mean it's, it's, I don't think we're interested in fixing it, mailing down a encore can't possibly meet because of somebody else's cause somebody else has had to do their thing first. But it would be nice that once things, we have some assurance that once these benchmarks are reached by someone else, Encore performs and that's really what we're interested in.

Speaker 1 ([00:35:20](#)):

Understand Well we are here two years later based on active decisions on own bag not cause of some third party and that's the meeting we don't wanna have again cause decisions that brought us back to,

Speaker 5 ([00:35:37](#)):

I think, you know, I don't think, and of course this, this end of 24 deal, you know, that's, I dunno how you address that, but

Speaker 3 ([00:35:46](#)):

That's not Well and I can, we can check that the only, I mean, so we can, I mean make very close statutory, make sure that it's entirely clear and black and white. It isn't. Then if you have to do an advisory opinion or seek a good faith exemption from the commission, then that's, that's not something.

The other things that I would talk with about is, so we talked about the cluster a copy haven't have you seen it? They're pretty, I mean they're pretty cutter, but you still, but again

Speaker 3 ([00:36:40](#)):

Dunno what their business model is. I dunno, I I honestly

Speaker 1 ([00:36:44](#)):

Not worry about Objection.

Speaker 3 ([00:36:47](#)):

Yeah, no that's they, they're right. They, so they could sell even if their, their model is but again, they probably sell llc but that we can check. I wanna ask them about panels. I don't expect they would've a good answer to that. Cause even the most sophisticated players in this market are having trouble getting panels and it's even information such competitive panels. You can build <laugh>, you don't have the panel, you can't build. And cause of the tariffs that were slapped on, that stayed on a lot of the panels just aren't coming in us and I think department of knowledge resolve. So there are

Speaker ([00:37:38](#)):

Didn't the panel tariff situation that all for now, right? Because you know, this isn't, didn't they give it like some period of time? We had some projects we looking at, but the issue evaporated sometimes this summer. They

Speaker 3 ([00:38:01](#)):

Just regular families. I think the double to my knowledge double sided ones not resolved yet. But the regular one is just that general supply chain shortage getting, and so when it's resolved is typically when your builder gets, gets an assurance that they're gonna be there, that they're already in a warehouse in the US and that they, they they get, they get until they get into a warehouse in the us they don't feel if there's, if, if they're a Long Beach California in a shipping freight, they haven't customs Yeah. Then they can, they, they,

Speaker 1 ([00:38:37](#)):

We procure our modules from Korea. So it's not an we ed

Speaker 3 ([00:38:45](#)):

Okay, wasn't

Speaker 1 ([00:38:55](#)):

Developer a professional engineer? A lot of projects retired, engineer built a lot of big projects. A

Speaker 5 ([00:39:04](#)):

So

Speaker ([00:39:06](#)):

Energy committee.

Speaker 5 ([00:39:07](#)):

So what's

Speaker ([00:39:08](#)):

That? Our best committee.

Speaker 5 ([00:39:13](#)):

So I mean what we're trying to get to is if, if we're, we can, if we can comfortably address it and that encore is a viable option with this ppa, then if we can get to that point, then we can say we wanna do a ppa, we wanna do it ourselves. And there's a lot of doing it ourselves. There's more money. But personally I'm not convinced that we have the resources and the commitment to get this done in the timeframe that makes would be reasonable. Start getting paid back. Yeah,

Speaker 3 ([00:39:45](#)):

I mean so I mean one I'll just tell you if I wouldn't advise, well my sense is if you told me to try to go out and get a better deal from another seller, I think that's gonna be <inaudible> in this market. So, I mean, because the reality is for those projects that are most viable that are ready to go, they're at a premium, they're already signed up and, and this project, it just all the pieces someone needs to do a lot of work for one project and you know, people in this are stressed out and annoyed at the state for changing the, so I, I just, I I

Speaker 5 ([00:40:27](#)):

I'll

Speaker 3 ([00:40:27](#)):

Try, if you want me to try to get a better deal for you, I'm not sure it's best.

Speaker ([00:40:32](#)):

The only thing, the only avenue I would see to that is if we, our connection agreement back and we could say we have our interconnection agreement in the process. We have a site like it seems like we have some pieces that would be attractive to the Fed developer.

Speaker 3 ([00:40:53](#)):

Well even if we have the whole LLC and we could say look, encores willing to sell whatever they call the llc you still need someone who's willing to take this skinny of the deal in this market. Yeah, and and I mean I know I can name the ones won its deal like this cause I know they're ones typically negotiate against and I negotiate when I say I'll spend two or three months negotiating with that and, and with that entity. Cause that's who they pick. And, and so there are a lot and I can, it's one I negotiated with, I've never reached an agreement with them <laugh> because it always falls apart. I wish the clients would just listen to me and say it when I tell 'em upfront, but they don't. So I mean I just in terms of this, this type of structure, I think that business terms, even if they get worse, are still pretty good for this market. So the bigger issues come down, the ones that we're talking about is can this, can we make this deal happen?

Speaker ([00:41:57](#)):

Yeah. And I think also this committee isn't really able to make decisions about whether or not can own a solar project or not. Like we presented this concept originally to the town council before we went out for our original rfp. And at that time we've had to the tablet be able to take advantage of that. I believe though it looked way better for them knocking on the project anyway. But but I just, you know, we are just not the people who can make those kinds of

Speaker 3 ([00:42:27](#)):

Decisions. Well so council, but I mean listen to everyone's on the same page. Yeah. So,

Speaker 1 ([00:42:34](#)):

So the other path we were considering this doing it ourselves, the idea was not necessarily the, the town would do itself, but basically we would hire someone to run the project and get EPC on board and

Speaker 3 ([00:42:48](#)):

Incentivize them

Speaker 1 ([00:42:49](#)):

To get the project done Bill. And with, if you are able to qualify for a 40% itc, we've got those grandfathered NDEP rates, it's a pretty attractive one project as as the, and so there was enough in that project to get a person to come on board to hire eps, seeing if we start from scratch. You could do that, be much better if we could essentially,

Speaker 3 ([00:43:20](#)):

Yeah, I think

Speaker 1 ([00:43:21](#)):

Acquire the project from on

Speaker 3 ([00:43:24](#)):

To make that happen. I think four different contracts. But really just three. The first one then the biggest one is with the, the developer who's gonna manage the, the construction, the acquisition of or do it themselves in this market for these size projects. Really it's, I haven't seen a lot of others in this market, right? I mean it's not a large, like if you're a next or I need the PR and you many my clients who have bigger BC contracts, but it's really revision that does this. And they're, they're the ones I negotiated with before. They're good I think Phil, so, so you'd have an entre with Bill and I'm sure he'd be, you know, willing to, to talk with you about that. And he was actually involved in this other thing that, that tanked. So that, so you could, but then in turn, I don't know if they would do the bill themselves or if they would hire an APC contractor from my knowledge pass bill, but they, they're gonna do it themselves, which means they may, they have to fit it into their construction the next two years.

Speaker 3 ([00:44:43](#)):

So which might already full into next, next year already not cause they're doing it the third parties, they're doing a lot of the wrong process. So you just need to be able to, to make sure that there's bandwidth and to have that, that discussion. And then there's all sorts of risk allocation issues. There are hard party to negotiate with because you know, it's them, I mean it's their employee own. So you're

negotiating with people who are literally taking others risk themselves so they negotiate harder but they'll, they'll be reasonable in the end. So that's the biggest contract. The other two contracts you need to think about that you don't immediately think about is the OM contract, not, it's not inexpensive. They offer three or four different levels of service from like bronze, silver, gold, platinum if I remember correctly.

Speaker 3 ([00:45:39](#)):

And those all have to do with how quickly they're gonna diagnose a problem and send a technician out, right? If, if you're none of as 'em is as fast as you might think platinum, platinum is if it's a major problem within four hours. But if it's not a major problem, if the whole site's knocked down within some days and you're not obviously not getting at all or offset the site. So that's major problem. But <affirmative>, whether the telemetry is completely automatic or not, you know, those are all the differences. So, but it's, those are not inexpensive contracts. They're not incredibly expensive either, but you're, you're about to do that. And then the other thing is if you probably want contract ahead for the terms, I going to fix a problem that they find cause that's usually not in an OM contract, right?

Speaker 3 ([00:46:39](#)):

OM is just, they'll diagnose the problem but you wanted to fix it and that would usually is some version of the material contract and obviously parts they can't guarantee but how quickly they're gonna move and those are the three critical contracts you'd need. So even if you end up with a very dedicated retired engineer who wants to make this his project to build and oversee working with them you're gonna need, once it's operational, those other contracts in place and realist gonna need pay third party like revision to do that. And I'm not aware of others in this market or you do a project at this level for om and

Speaker 6 ([00:47:21](#)):

Yeah, Breo had ANM business I think, you know, they

Speaker 3 ([00:47:25](#)):

Recently got outta it so I'm not I'm not familiar with the others. So I mean there, there may be others that emerge.

Speaker 5 ([00:47:36](#)):

The other problem I see there's

Speaker 3 ([00:47:38](#)):

Gonna be more work in the future. So might be others emerge. Sorry, didn't

Speaker 5 ([00:47:42](#)):

The other problem I see is have to go and get a couple bonds

Speaker 3 ([00:47:48](#)):

For

Speaker 5 ([00:47:48](#)):

The initial and then, and you know, that's gonna delayed. Cause I think the bonds are large enough so we have to go from the town Yeah, we

Speaker 3 ([00:47:57](#)):

During school,

Speaker 5 ([00:47:58](#)):

Right. So that's, that's a significant, that can be a significant Well,

Speaker 3 ([00:48:11](#)):

But

Speaker 5 ([00:48:12](#)):

But you still have to get approval from the town and you got two of them that process. We know how

Speaker 3 ([00:48:21](#)):

Anticipate you know how to finance. Yeah,

Speaker 5 ([00:48:35](#)):

I was the resource requirement to follow. It is significant and we can hire somebody, but then you're gonna have to convince hire as well. So if, if we issues, you know, it's, it's probably the easiest route to go. But you know, then some of these things shouldn't be an issue. I mean all they do is a contract manager so we can call up and get a status. That shouldn't be an issue. I if we're to give buyout option or not, that's something we at down road. So you, that would, to me that's, that's, that's appealing because once the town sees that we're making money on this thing, we can go back to and say, Hey, if we buy this thing out we'll make even more. And so if we get a buyout option like seven years down, I think the ability, we

Speaker 3 ([00:49:24](#)):

Already pretty sure we, we put that inContract

Speaker 5 ([00:49:28](#)):

Haven't, but we got a buyout option after a period of time, then that would be a much easier sell to the town. And while we're selling that we can still be making savings. So to me it, to me it comes down to a question, can we get the things, can we, can we somehow have assurance that Encore is gonna perform reasonably and and can we evidence that they've procured mom's roles for the Yeah. That that was so we sure they're gonna go. Yeah. And then, you know, if if that's the case, then the savings, you know, burden hand may work through in the bush cause we're in a dynamic situation and who knows what the regulation are gonna change and how they're gonna change. You know, we may be in this thing but brochure not gonna finish this thing until by the end of 24 or 23. And so, you know, who knows what the regulators are gonna do between now we've basically can, you know, shovel. So that's where I'm coming from. If, if we can get some sort of assurance then I'm co perform and address some of our concerns, then I think that's the easier, that's easier.

Speaker 3 ([00:50:44](#)):

So I assignment of interconnection or

Speaker 1 ([00:50:50](#)):

Anything. Yeah, interconnect business challenge we had is this is still in difficult incentivize someone the heck paying perform lease track contract. So I that is a tough Well yeah,

Speaker 6 ([00:51:20](#)):

That, that extra, I mean the ITTC has made this a rich project for them. Whoever owns it is, you know,

Speaker 1 ([00:51:26](#)):

I know they're actually even going for the 40%. They don't Oh yeah, they should be. Well

Speaker ([00:51:32](#)):

They, they're, they're a solar developer and I I have dealt with 'em in other professional means and and I do think that they, they do seem to know what they're doing. I I think they have a good reputation Vermont so mean if they can't pick up on bonus 10% on that than, I mean,

Speaker 6 ([00:51:55](#)):

Which is enormous

Speaker 1 ([00:51:56](#)):

Amount of value.

Speaker 5 ([00:51:57](#)):

Yeah. I mean

Speaker ([00:51:59](#)):

It seems like they'll, so, so it may be that it's richer for them than, than

Speaker 5 ([00:52:07](#)):

So you know, so the question is, you know, did they consider that they did the last ppa?

Speaker 3 ([00:52:14](#)):

I'm sure that if the IRA pass then, then but the the question I'm gonna ask them is have they looked at whether they need to restructure the contract with you to get the benefit? That's an indirect way of asking the question. We'll get to the same, I'm asking that challenging whether they have to restructure this to get the additional municipally on.

Speaker 5 ([00:52:37](#)):

But but take the buyout in in a contract, a project manager that call and get a status a monthly, that's not costing any money and that's just something that is reasonable I don't think, and that wouldn't be a

Speaker 3 ([00:52:48](#)):

Bond. And so you is that a request for specific project manager?

Speaker 5 ([00:52:53](#)):

Yeah, assign it when the contract assign sign a contract manager who is who on their end is start on the project and give us monthly reports.

Speaker 3 ([00:53:01](#)):

Did you, was Jesse your original point of or did you lose? I know

Speaker 5 ([00:53:08](#)):

We had no point of contact. Well see the thing you have to recognize is that we recommended this to the town. We recommend we did all the research. Like we started out with like 13 or 14 different customers and we wheeled them down, we got a final four and then we went back to, and Encore was selected. They gave that recommendation to the town and then we basically heard nothing. And I dunno what the town heard, we didn't see the final contract. I'm not sure we, I have not seen the final contract yet, but yet I haven't. So we really haven't been, we really

Speaker 3 ([00:53:47](#)):

Judge executed on

Speaker 5 ([00:53:47](#)):

That. Yeah, so just don't, don't make the assumption that we are aware of all that, that background cause we're not,

Speaker 3 ([00:53:55](#)):

Not Can you send me a copy please? So

Speaker 5 ([00:54:02](#)):

And opinion, that's, that's sort where I'm coming from.

Speaker ([00:54:07](#)):

Yeah, I think there's a couple agree with Richard. I think there's a couple issues. One is, is that this committee, you know, put a lot of effort into the selection of Encore and then we involved after that. But it also doesn't seem like the town any updates on the project and all of that. So someone should be getting like, it doesn't even have to be, it could just be like a monthly email. We're still waiting on the interconnection study from cmp. We we hear that. We're gonna hear that in March. Or like just some knowledge that they're following the project, they're planning to do it or you know, we found some panels.

Speaker 3 ([00:54:49](#)):

I mean they, they need to better job keeping updated monthly. I know the frustration from my clients is that they believe they're gonna get information from, so I mean hopefully they're gonna get the next meeting. They don't get the next meeting. When are we gonna find out the next meeting? They don't find the next meetings to go on. So they constantly think they're I think one month ahead of getting the answer.

Speaker ([00:55:11](#)):

Even even if the update was, we try contact three more times this month and we didn't hear anything back. Well keep, we're we're

Speaker 1 ([00:55:22](#)):

Issues thing. They're not viewing as an hearing from C cmp. He's like who knows? There might be people as energy committee or whatever who live next door to the guy from cmp. He's like, they's like communicate nothing. It doesn't help in the local market.

Speaker 3 ([00:55:46](#)):

Yeah, no that's why, I mean in your, most of the towns just so decided to walk away but like I said, they're gonna be paying higher

Speaker 5 ([00:55:54](#)):

So, so you know, we can, you know, the other thing, if we have a contact, you know, we'll put updates in the town courier, the newspaper and that'll put that does a couple things. Get the town involved and also puts pressure on the town government. Make sure hey, they're aware of this and so they're gonna hear so, oh yeah. So it's gotta be both sides. They've gotta give us a contract and give us information so if we get comfortable with it, we have to have a contact from them so that we can then take that information so they know who to call, who's following it and then that person can take that information distributed to the, the town council and to the, to the town. So that's really all we're looking for. And that would address a lot of the issues we're talking about. But the question becomes can we, you know, based on your experience is the stuff, can we write a contract that will be acceptable to Encore to give the town assurance that this thing's gonna be done in about a year with, with building contingency for those things that are beyond their control.

Speaker 5 ([00:56:58](#)):

They can't

Speaker 3 ([00:56:59](#)):

Then I, I can negotiate a contract with that. They will be acceptable to them and us. A year is maybe a tall or you know, what's going on in the market. They did, they did say 23 when I spoke with them, but if they don't get final sign off at CMS now has that out in March. It'll likely be after March. That doesn't, that's very to get an okay and then put a contract out with an EPC contractor. Cause all the EPC contractors are all booked

Speaker 5 ([00:57:33](#)):

Already. The current dates, the current dates are permits complete by April 1st. Construction start by May 1st, mechanical completion by one December 23 in CDD first.

Speaker 3 ([00:57:55](#)):

That's electricity credit. So I mean I like, but I just don't never client, I always like to leave upfront about, I don't want expectations that are

Speaker 5 ([00:58:10](#)):

So even something in, you know, six months after this, companies don't start until six months after these days for some reasonable, but just something that's gonna get their management attention that we gotta get this done otherwise we will

Speaker ([00:58:27](#)):

Also I think experience

Speaker 5 ([00:58:29](#)):

Some pain.

Speaker ([00:58:30](#)):

It would help in

Speaker 5 ([00:58:30](#)):

Financial pain. Like

Speaker ([00:58:31](#)):

I know they went and talked to the training board and workshop just because my husband planning, but but I, I think there was like, I don't know what kind of environmental permits they need to build on a landfill. Like we should be hearing something about how those, those things are marching forward as well.

Speaker 3 ([00:58:52](#)):

I think they usually,

Speaker ([00:58:55](#)):

I dunno if they just wait to the interconnection agreement or

Speaker 3 ([00:58:58](#)):

Yeah. Usually the site law people defer to the people landfill weird. But

Speaker 5 ([00:59:08](#)):

I mean it would be nice to see just, you know, a spreadsheet that staff the scheduled dates for approvals. Just list them out for all the various points in time that things have to be done. And then included in that,

Speaker 3 ([00:59:21](#)):

You know, the, the stuff that they've gotta do. I mean that's all we're looking for, just, just a project schedule. It sounds like a project scheduler can't, what comes down, there's very little trust based on their past behavior right now. So they wanna establish trust in this relationship and this contract. They've gotta start doing things which is making no promises and keeping them. And that hasn't happened today. Cause what's happened today is only thing they wanna talk about must raise the price from where we're at. And that does not build trust. I will communicate, I will tell them there's a communication problem. I don't trust anyone. You don't pay me to trust anyone. So trust I I'm actually

Speaker ([01:00:12](#)):

Right now because if we're still waiting on the, they couldn't have started construction since.

Speaker 3 ([01:00:22](#)):

No, that that's

Speaker ([01:00:23](#)):

Right. There's nothing they, they could, there's nothing they could have done to have the project completed at this point

Speaker 3 ([01:00:28](#)):

In time. I think that's what, but they weren't communicating which, which point, but there, there really wasn't much they could do. Was

Speaker ([01:00:37](#)):

That actually little about the whole situation But

Speaker 3 ([01:00:41](#)):

And it ground fault. So I don't know how much you all follow, but I know would both of you would know about this, but this, this ground over voltage issue that did the whole industry completely by surprise last December. CMP knew about it but they, they kept it under wraps until December and then, and then it all of a sudden we had a huge issue we didn't know about. And that's what it precipitated a lot of the, the cluster studies. So I mean the industry, I think a lot of the solar folks thought they were gonna be building projects this year. Yeah. Those were delayed. And and so that really, you know, the industry was, everyone was sort of reeling that and that led to the, the amendments you know, was sort of part of a well orchestrated plan to reel things back. So I mean that's what I think a lot of people are, a lot of companies are that came into and sta Oil,

David B ([01:01:47](#)):

I was <crosstalk> can I ask it a dumb question? So Main Community Solar came in and they put a proposal together that they can save over 20, a 20 year period over a million dollars. It's a better savings than this whole project. Is that can you do both? Can we do our own project and be part of

Speaker 3 ([01:02:06](#)):

That's an offsite deal.

David B ([01:02:07](#)):

Yeah,

Speaker 3 ([01:02:07](#)):

You can't, you Yeah, I mean you can do two projects but you wanna make sure you don't buy more credits than you can. Cause if, if you buy more credits than you can use, you lose you're still paying for 'em but you're not using them.

David B ([01:02:22](#)):

Cause this is hot off, hot off press today and it's over 20 year period. It's a little over a million. I think we're at 50 Encore. They're, you want me to sign tomorrow? Obviously I'm not gonna do that but

Speaker 3 ([01:02:40](#)):

Is this a deal of of residential deal or

Speaker 1 ([01:02:44](#)):

Often

David B ([01:02:45](#)):

It's it's for every, it's for everything I gave, he has all the different rate classes and it's all inclusive.

Speaker 3 ([01:02:52](#)):

I actually haven't as, as an, I haven't dealt with main Community Solar, but my experience is the main community. Me Solar I think is sort of like an overarching group that then assigned to a specific company and the one that I referred to before that I'd ever supposed to deal with is one of those companies. So I that I guess be who would, but I'm happy to investigate. You want,

David B ([01:03:20](#)):

I was gonna throw it on the next

Speaker 1 ([01:03:23](#)):

Maybe a marketing firm.

Speaker 3 ([01:03:26](#)):

It's it's essentially a broker, a broker deals and then Yeah, and that's what I, the, I said look, you know, you're essentially negotiating contract with broker and then the real entity comes about renegotiate everything all over the <laugh> and they said no, no, that's not what it's, I said that is what it's so I I try to save time.

Speaker 1 ([01:03:50](#)):

That still might be at,

Speaker 3 ([01:04:00](#)):

You know, what project that's on No idea project.

David B ([01:04:03](#)):

Yeah that

Speaker 3 ([01:04:04](#)):

Anything with that either I, I dunno anything about that that that separate contract have but I negotiating

Speaker 5 ([01:04:16](#)):

Well and this one contract, there might be some benefit about looking at both and there might be some benefit of

Speaker 3 ([01:04:27](#)):

Considering it certainly diversifies your risk, which I'm a lawyer type so I diversify.

Speaker 5 ([01:04:33](#)):

So if, you know, if, if there may be some benefits of looking at that contract, say got supplemental this what's, what's,

Speaker 3 ([01:04:40](#)):

Yeah a lot of the same questions. Where's the project? Do they have all their approvals? When's it gonna be Bill? Showing me that their approval showing you made the right with the, with the POCs contractor whose named and

Speaker 5 ([01:04:54](#)):

Cause the question I have is why hasn't that, why hasn't that been gone? This hasn't

Speaker 3 ([01:04:59](#)):

Very few projects have actually been billed so far. Because a lot, some have in fact the one I signed up for my residential house, the company keeps telling me it's gonna fall this year. But so I think there are, I think there are, I think there are some that may come online but the delays have delayed most of them. The only ones I know that have gone forward, there are a couple early that went forward that were actually already, so they just took a, there are a few that were restructured just to restructure current arrangements into this law, which I'll tell you if they deny anything, I dunno why the hell they, cause they were existing facilities and I'll say that on the record why they, but they just restructured some hydros that, you know, didn't make a lot more money.

Speaker 3 ([01:05:58](#)):

So the owners of the made more money to provide credits but it's not changing anything on the face of the error. So those obviously have gone, those are most, cause they were all right, there wasn't any risk at all. You're just restructuring it more so share. But other than those, I think most of them are still, and some are gonna come online this year. Bulk will be constructed LA next year, which is why I'm so skeptical that with a notice they can get an EPC contractor next year because the P contractor is a, is a finite spot, right? They come all the way up from New Jersey and we, we negotiated c contracts to clients but and initially all the risk just but that contractors would prefer mean that's that's good work. So it's just gonna be, it's gonna be, and I think it's gonna be driving panel crisis too, but hopefully chain, hopefully inflation

Speaker 6 ([01:07:13](#)):

Manufacturer manufacturing

Speaker ([01:07:22](#)):

In the pricing, right? Like that's a reason they been coming back cause right, like they, to get the full itc you have to no wait, you

Speaker 6 ([01:07:43](#)):

Have's there's a domestic content, domestic it ittc bonus.

Speaker ([01:07:48](#)):

Oh that's

Speaker 6 ([01:07:48](#)):

The bonus. Ok. Yeah, that's part of, that's an additional bonus. 30% is just the, they're just kind re-up the standard

Speaker 3 ([01:08:02](#)):

Period.

Speaker ([01:08:03](#)):

They're,

Speaker 3 ([01:08:05](#)):

There's phase out and pays in.

Speaker 6 ([01:08:06](#)):

Yeah, I, well there's prevailing wage requirements,

Speaker ([01:08:09](#)):

Prevail wage, and then there's the,

Speaker 3 ([01:08:11](#)):

Oh, those are the same. Prevailing wage and apprentice are the same 10%. That's, that's what the guidance said came yesterday was, oh it was ok, I didn't see. So that get you 10%, but you're starting with a much lower, I wanna say percent. And so then you add your honor, if your honor ground yield site, then, then that's, that's 10%. And if you're in, if you're in a depressed expo, which that's percent you're census can actually stack

Speaker 1 ([01:08:57](#)):

Believe.

Speaker 3 ([01:08:58](#)):

I'm not gonna take <laugh>

Speaker 1 ([01:09:01](#)):

Doesn't, doesn't actually qualify.

Speaker 3 ([01:09:11](#)):

So that's that. I hope this is helpful. I've taken away a bunch of stuff to think back and see what we can do to back into, if that's the, the direction. I guess I need to check with Matt, right? You're an advisory. Well, I dunno how much of

Speaker 1 ([01:09:30](#)):

Is reasonable.

Speaker 3 ([01:09:32](#)):

I think, I think you've given me a list of, I stopped at six, but so I will talk with them about all of them and see, see what they can do. And I, I can draft language but I, the, the best, I mean the, the most important discussion is to confirm if they bargain this year regardless. And maybe they, maybe they're willing to do that, know they'll be able to slip that under the cluster anyway. I dunno that I haven't had that discussion with them. All I know is that he was very positive on the cluster study being resolved sufficiently for them to go forward when I spoke week.

Speaker 1 ([01:10:11](#)):

To me, number things little bit about knowing sort of that they really couldn't build department for reasons that we now understand, but they never communicated. So that's plus contract rates seem to be attractive given current conditions. We've, we've work through address some of the past issues and one of those also is potentially a remedy that allows them to convey the project back to us.

Speaker 3 ([01:10:49](#)):

Yeah. That, that's gonna be the biggest. So, but I, my thinking is to try to wrap that into sort of, if not, if goes forward, the reality is if it doesn't work for them, they're not gonna have much value left in it anyway. Unless they, unless they're gonna have trouble convincing their finance or underwriter to those types of terms not be an issue. But they'll, they'll tell me what

Speaker 5 ([01:11:16](#)):

It's cause cause really, you know, I don't see how anything we're asking affects their finances if they perform

Speaker 3 ([01:11:26](#)):

Right. But usually lawyers negotiate documents for everything apart, so they're, they're underwriter, finances may want rights, so whatever is left to sell it. So they, and they may already have them in documents. All I

Speaker ([01:11:41](#)):

Know, well I'm obviously not speaking for the town, but I think that in terms of the interconnection, I, I think that the town should be willing some, some amount for that because they put some effort into you know

Speaker 3 ([01:12:00](#)):

Yeah.

Speaker 5 ([01:12:01](#)):

They pay fee

Speaker 3 ([01:12:02](#)):

Money.

Speaker ([01:12:03](#)):

Yeah. So I, I don't see any reason why, like if we were to get the interconnection, if they don't go, if they don't get the project built and we don't wanna keep, we don't wanna negotiate with them. I don't see any reason why we wouldn't pay some amount of money for that mm-hmm <affirmative>. But at least to pay them back on their costs or maybe like a cost plus some kind of, I don't, some profit or something. But that, not, not like, not like a gazillion dollars, but something that sort represents that, some of the effort that they put into that. But

Speaker 5 ([01:12:40](#)):

Cost was 10%,

Speaker ([01:12:41](#)):

Something like

Speaker 5 ([01:12:42](#)):

That cost. But, you know, some, you know, we're not asking, we

Speaker 3 ([01:12:53](#)):

Wouldn't. Right. No, I can, I mean, so that, that's actually relatively speaking of attractive option for them. Yeah. If you wanna go into, but I can executive session. You wanna quickly vote on it or, alright, I'm gonna turn the record.