

**Jefferson County Industrial Development Agency
Loan Review Committee Meetings Minutes**

**Jefferson County Local Development Corporation
Alternative Energy Committee**

June 26, 2019

Present for JCIDA Loan Review: Robert Aliasso, John Jennings, David Converse
Present for JCLDC Alternative Energy Committee – William Johnson, Paul Warneck

Also Present: Don Alexander, David Zembiec, Lyle Eaton, Peggy Sampson, Jay Matteson, Christine Powers, Greg Rossetti and Taymaz Jaani Aval from OYA Solar, Inc.

Excused: Kent Burto (JCLDC)

- I. **Call to Order:** Chair Aliasso called the meeting to order at 8:00 a.m.

- II. **OYA Solar (OYA Great Lakes Seaway LLC, OYA Blanchard Road LLC, OYA NYS RTE 12 LLC, and OYA Blanchard Road 2 LLC)** – Greg Rossetti, Principal and Taymaz Jahani (TJ) Aval, COO attended the meeting. Mr. Rossetti provided background on the proposed project to be located in the Towns of Clayton and Orleans. He said that there is a lot of risk in these types of projects. He said that solar is new to NYS, but not nationally. He indicated that these projects only work when they are financed over a long period of time. He said that his goal today is to find understanding on how to get to a PILOT agreement.

Mr. Rossetti said that his proposed project will not draw on local resources and services and indicated that they will be making \$4M in upgrades to the substation that feeds Alexandria Bay and Orleans. This will benefit local transmission capacity as well as their own project. He said that they have already worked with the Town Boards and have their support, but would like assistance from the IDA in respect to the School District (for which they have had a brief conversation with) and the County. He noted that the outstanding item is a PILOT agreement. He posed the following question, “How does Jefferson County want to present themselves to the solar community?”

Mr. Rossetti pointed out that they could conceivably start construction this year. He said that they have the financiers lined up but need to show support for a PILOT agreement. He said that the PILOT is the last of several pieces necessary to make the project work. Mr. Aval said that they will need to firm up contracts, but it could be mechanically completed by the end of the year. Mr. Aval said they are proposing 4 projects of 5MW each. Mr. Aliasso noted that if you take total estimated revenue of \$916,000 x 3% (as suggested by NYSERDA) = \$27,000/5MW = \$5,496/MW. That figure matches the upper range of PILOT payments suggested by NYSERDA. Mr. Rossetti said that National Grid has already been paid, which is a requirement before construction can start. It was suggested that permits be in place and SEQR conducted; that the decommissioning bonds are in place and note that the proposed site is not primarily agricultural land.

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Mr. Warneck asked the principals if the PILOT started higher and decreased if they would be interested in that approach because it may make it more palatable for the School because it will be worth more in year 1. The OYA representatives indicated they were open to any mutually beneficial structure.

It was noted that 40% will be commercial and the remaining 60% will be residential. They are responsible for billing and collection, not National Grid. Credit goes to the rate payer and here is a 10% guarantee. Mr. Johnson wants to make sure that county residents can subscribe. Mr. Rossetti said that it is a challenge but they can look at using an enhanced marketing campaign in Jefferson County to encourage more residents to subscribe.

Mr. Warneck asked if they plan to request sales tax abatement. Mr. Rossetti said no.

Staff and committee indicated that they will do their due diligence, and during the next few weeks information will be gathered in preparation for the July board meeting where the application may be deemed complete if all pieces come together and the affected taxing jurisdictions are on board. Mr. Johnson indicated that the County is willing to negotiate a PILOT. He indicated that he would attempt to schedule a meeting of the energy committee and the county before the July board meeting.

- III. Adjournment:** With no further business before the committee, Mr. Johnson adjourned the meeting. The meeting adjourned at 9:23 a.m.