

Town of Canterbury, NH
Board of Selectmen
Date: 2025 February 12
Location: Sam Lake House

Selectmen: Scott Doherty (Chair), Kent Ruesswick, Beth Blair

Town Administrator: Ken Folsom

Others Present: Tom Franco (CCPC Chair), Cheryl Franco (CCPC Member), Bob Steenson (Budget Committee Member)

1. Call to Order
 - a. The meeting was called to order at 6 p.m.
2. Work Session on 2025 Proposed Warrant Articles
 - a. The discussion was primarily about the proposed Municipal Complex Solar Project warrant article which would put solar panels on the roof of the Municipal Complex using a bond for \$210K. The project was proposed by the CCPC and Tom's calculations predict that the savings in the electricity budget would cover the annual bond payments on a 20-year bond.
 - b. There was discussion about what the "Adder" is and how it relates to this warrant article.
 - i. The lowest cost of electricity offered through CPCNH is the base rate. In the August 2024 – January 2025 rate period that was 8.6 cents per kWh. The BOS decided in the 6/26/24 meeting to set the Town's default rate to a slightly higher "Canterbury Basic" at 8.8 cents per kWh. That extra 0.2 cents per kWh is the "Adder" and is paid by the customer. 8.6 cents went to CPCNH to cover the cost of the electricity. 0.2 cents went to what is basically a savings account for Canterbury.
 - ii. During that rate period, Canterbury accumulated about \$5K through the adder.
 - iii. In the current rate period, Feb 25 – Jul 25, the Selectboard set the default to the Granite Basic plan, which does not have the adder. Canterbury Basic still exists and has a 0.2 cent adder, but unless residents choose to opt up into that plan, no one will be using it. This means that no one will be paying the adder during this rate period, so we do not expect to accumulate as much money as we did in the last rate period.
 - iv. In the 1st year of Community Power, only 6 people opted up, so it is unlikely that many will opt up this time.
 - v. Because the default plan can change every 6 months, the "Adder" cannot be relied upon to pay for the annual bond payments. However, the \$5K already earned could be used to pay for bond counsel. So WA 2025-14, to establish a Renewable Energy Capital Reserve Fund, is still needed and could be used in conjunction with this solar project.
 - vi. Tom did not consider the adder when he calculated the tax impact of this project, so if money did ever come in and help with the bond, it would be a bonus.
 - c. Bob expressed concern about the reliability of group net metering.
 - i. This project would build on the Municipal Complex, so the power from the panels would only go to that building. The size of the array would generate more power than needed, so the money the Town would get back through net metering would offset the costs of the electricity being used by the municipal buildings in the Center. Because all of these buildings are on different meters, the Town would need to switch to group net metering to fully offset the electric bills for the Center.

- ii. There has been a lot of political pushback to net metering, so it is possible that the policy will not survive for the 20 year life of the bond. If it does not, then the extra power generated could not be used to offset the electrical costs of the other municipal buildings.
 - iii. Group net metering also requires special approval from the PUC. Bob is concerned that this may not be allowed for a municipality.
- d. There was discussion about if the Municipal Complex roof is a good location for this project.
 - i. The roof has been known to leak. Tom was told last year that certain areas don't leak, so the current array layout avoided those areas. During the meeting, it was pointed out that there were more leaks and some of those were on areas that would be covered by the proposed array.
 - ii. The leaks are caused by holes that had been previously drilled into the roof. The gaskets blocking up those holes get old and fail, leading to leaks. The array would need to avoid the gaskets, so they could be replaced next time they fail.
 - iii. Both companies that CCPC talked to said that their systems work best with clamping, so they wouldn't need to make any holes.
 - iv. The Town previously tried to clamp snow breaks to the roof, but the weight of snow caused the snow breaks to fall off. So even clamping isn't guaranteed to work. If the panels fell off, the 25 year warranty would cover replacement.
 - v. CCPC considered 5 different sites and narrowed it down to the Library roof and the Municipal Complex. They chose the Municipal Complex roof because it was the cheapest and easiest option. Doing a ground mount would require setting up mountings and running a cable to the building. The ground estimate was ~\$40K more.
- e. There was discussion about the price tag of \$210K.
 - i. Due to timing of when the bond could be purchased and how long construction might take, it is possible that the electricity savings wouldn't be realized in the first year, so the first year could have a tax impact.
 - ii. Bob was concerned that it may not be a \$0 tax impact every single year for 20 years because of the fluctuating price of electricity, the increasing need for electricity, and the uncertainty of net metering.
 - iii. Scott was concerned about the sticker shock of \$210K, even if it works out to no tax impact. This year has been hard financially because of the school tax spike, so there is no appetite for "nice to haves". Next year should have less of a revenue problem.
 - iv. Bob suggested that if the project were smaller we might be able to use conventional financing instead of a bond. Municipal bonds have low interest rates, but cannot be paid off early. The Town used Merrimack County Savings Bank for the Sam Lake House renovation.
- f. There was discussion about how to change the project to address the concerns.
 - i. If the project was split into two smaller projects, one in the Center and one at the Municipal Complex, then we wouldn't need to rely on net metering.
 - ii. The Library roof was a great candidate, so that might be a good location for an array in the Center. However, there could be pushback from the Historic District Commission, and the existing ground-mounted array might need to have the split changed to divert more power to the Sam Lake House. Changing the split may mean a new inverter at the Sam Lake House.
 - iii. If the Municipal Center array only needed to power that building, the array could be resized to fit on just the non-leaky parts of the roof. In that case, the existing ground mounted array could be removed. That would potentially give Highway enough space for the salt shed, which is currently located at the Transfer Station.
 - iv. We could also replace the existing ground mounted array and just add more panels. Using the existing infrastructure could save on installation costs.

- v. Breaking the project into two smaller projects would lower the cost. This could allow the project to be done in smaller bites, and could make conventional financing possible.
 - vi. Tom expressed concern over the short timeline to Town Meeting. He would rather withdraw the article and regroup for next year.
 - vii. Batteries were removed from the proposal because the CCPC didn't have enough data to show that they would reduce the peak demand charges enough to pay for themselves. There was also concern about where to put the batteries to balance fire safety and battery efficiency. More time could allow those issues to be worked out.
 - viii. Withdrawing would also give the CCPC plenty of time to get the word out about the project and answer questions ahead of the 2026 Town Meeting.
 - g. Ultimately the group decided to remove the warrant article from this year's warrant.
 - h. The Selectboard thanked the Francos and the CCPC for all of the work they have done on this.
 - i. Tom will still need to speak at Town Meeting about WA 2025-12 (Library Weatherization) and WA 2025-14 (Renewable Energy Capital Reserve Fund). WA 2025-14 could be a good opportunity to get the word out about this project.
3. Adjournment
- a. Scott made a motion to adjourn the meeting at 6:58 p.m. Kent seconded. All in favor by roll call, motion carried.

Next Meeting: 2025 February 18, 5:00 p.m. at the Meeting House

Minutes submitted by Kathleen McKay, Administrative Assistant