

**MINUTES OF PERKASIE BOROUGH  
SPECIAL PUBLIC UTILITY COMMITTEE MEETING  
JULY 28, 2011**

620 West Chestnut Street  
Perkasie, Pennsylvania

ATTENDANCE:

|                          |   |
|--------------------------|---|
| Council Member:          | Martin Gahman (absent)<br>Matt Aigeldinger (absent)<br>Stephen Algeo (absent)<br>Florence Frei<br>Barbara Krantz (absent)<br>Suzanne Kravitz (absent)<br>Chris Nicolosi<br>Jim Purcell<br>Maria Slowik (absent) |
| Mayor:                   | John Hollenbach (absent)  |
| Borough Manager:         | Daniel P. Olpere  |
| Finance Director:        | Joe Berardi (absent)  |
| Electric Superintendent: | Harold Stone  |

Borough Council Vice-President Jim Purcell convened the meeting at 7:00 PM. Mr. Purcell gave an invocation followed by the Pledge of Allegiance.

Manager Olpere opened the Special Public Utility meeting explaining the purpose of the meeting was to hear presentations from three companies interested in providing the Borough with a Purchase Power Agreement (PPA) from solar panels constructed on Borough land. Manager Olpere explained that the Borough has been actively pursuing the purchase of future electric through various sources instead of a single contract with a single vendor.

He started with a brief description of the fixed tilt panel technology that all three companies are offering the Borough. While slightly less productive, the panels are less expensive to purchase and maintain. They are the recommended panel for this part of the country. Manager Olpere explained how the estimated 18% annual capacity factor degrades over time, and how the Borough would receive RPM credit. He also explained Solar Renewable Energy Credits (SRECs) and how their value varies widely depending on the state. He also explained that there is currently no National Renewable Portfolio Standard, but Pennsylvania has set a goal of 18% renewable energy by 2020 (applies to IOUs only) and a minimum solar requirement of 0.5% by 2020.

Mr. Purcell introduced Andy Meserve from Tangent Energy Solutions. Tangent gave a 30-minute presentation highlighting their proposal to install up to 1.3MW of panels on Borough-owned property. Tangent would pay for the purchase, installation and maintenance of the panels. The Borough would agree to purchase all power produced by the panels for 20-years at a price agreed on in the contract. The initial rate would be \$58.50/MWh for years one through five, and \$125.00/MWh for years six through 20. Each year would have a 2.0% escalation. The Borough would have the option to purchase the system in year 10 for an agreed upon price or take ownership

at the end of 20 years. Mr. Meserve explained that Tangent is not just a solar panel provide but a complete energy management company that could help the Borough levelize peaks in demand that would bring down overall power cost. They could accomplish this by better management of the Borough's own power consumption and the use of natural gas generators during peak consumption. According to Mr. Meserve, a better load profile can usually be accomplished with the use of his company's specific load management software and monitoring technology.

Tangent works with local contractors to install the solar panel system, which could include the Borough's electric department.

Altru (Aztec Solar) was the second organization to present their proposal. They are strictly offering a PPA for solar panels. They have put the Borough in contact with another organization to propose energy management services. Their agreement calls for up to 3MW of panels on Borough property. Again, they would construct and maintain the system at no upfront cost to the Borough. The Borough would be responsible for purchasing all power produced by the panels for the life of the agreement at a rate set forth in the contract. Altru is proposing a rate of \$120 - \$140/ MWh for the first ten years with a 2-3% escalator, thereafter, adjustment to the market with 2-3% escalator annually. The contract would last 20 years. The Borough would have the option to buy the system anytime between years 12 and 20.

Altru's employees handle the entire project – they do not outsource any part of it.

MetroTek was the final proposal to go in front of the Committee. Dr. Rex D'Agostino was the presenter for their company. He explained that they could install up to 3.287 Mw on the land that the Borough has identified as potential sites for solar power. Their rate for the purchase of the power would be \$85.00/ MW with an annual escalation of about 3.5%. The contract would be 20 or 25 years in length. MetroTek does not outsource any of the work and has 24/7 customer support. This company also has a unique educational component that allows local schools to monitor the solar arrays, learn about clean energy, and access current output at any given time via the internet.

## PUBLIC FORUM

No questions from the public.

## PRESS FORUM

No questions from the press.

## ADJOURNMENT

The meeting adjourned at 9:05 PM.

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Daniel P. Olpere  
Borough Manager/Secretary