



UE&E Committee  
Conference Call Notes for July 17, 2013

**Members Present:** Steve Weems, Lois Skillings  
**Members Absent:** Dan Daggett  
**MRRRA Staff:** Tom Brubaker  
**Public Present:** None

A quorum being present via telephone, the conference call was called to order by Steve Weems at 1:30 p.m.

**1. Power Purchase Agreement with Village Green Ventures**

The UE&E Committee met via conference call at 1:30 p.m. to discuss a proposed Power Purchase Agreement between MRRRA and Village Green Ventures/Village Green Brunswick Landing, for the purchase of the electricity generated by the VGV/VGBL's proposed anaerobic digester facility.

Tom Brubaker provided the Committee members present on the call with a brief overview of the proposed operation of the Village Green Brunswick Landing anaerobic digester facility. The current proposal is for this facility to generate electricity from biogas created in the digester. It is proposed that MRRRA purchase this electricity from Village Green Brunswick Landing via a Power Purchase Agreement.

The proposed project will generate a large portion of the current electrical requirement at Brunswick Landing thereby greatly reducing or eliminating electricity delivered over CMP's distribution grid to the campus.

This project is consistent with MRRRA's mission and redevelopment plan for a renewable energy center at the Brunswick Landing campus and will be the first on-site generation of electricity. It has desirable organic materials recycling features (beneficial use by-products) to create additional sustainable value beyond the value of generating green energy on site.

MRRRA staff has had several discussions with VGV/VGBL about an agreement to purchase the electricity generated by the proposed facility. The most recent meeting was held on July 18, 2013. Under the proposed Power Purchase Agreement:

- a. MRRRA would purchase electricity generated from biogas produced by VGBL's anaerobic digester up to 9,000 megawatt-hours per year.
- b. The purchase price for the electricity from the anaerobic digester facility will "meet or beat" the market rate cost of electricity that MRRRA would otherwise pay for electricity at the Brunswick Landing master electrical meter. MRRRA shall pay VGBL the Market Rate for electricity VGBL delivers to the Brunswick Landing electrical grid and which Brunswick Landing (including but not limited to MRRRA, other Brunswick Landing tenants, and campus infrastructure) consumes.
- c. For the purpose of the proposed PPA, Market Rate is defined as the three-month look-back average of the "all-in" cost to MRRRA for electricity supplied to Brunswick Landing's master electrical meter by the local T&D utility (the average of MRRRA's actual "blended" electricity costs for the previous three months). "All-in" is defined as the sum over a unit of time of the cost of electrical energy supply, the cost of T&D for the local T&D utility to supply electricity to the master electrical meter, and any other administrative fees the local utility and/or any energy broker may charge for supplying electricity divided by the total number of kilowatt-hours (kWh) consumed during that unit of time. The Market Rate shall be calculated quarterly (from the effective date of the PPA).
- d. The proposed PPA establishes a "floor price" of \$0.085/kWh. The floor price is used to determine when MRRRA would receive a "rebate" or discount. The proposed discount rate is 5%. In any month where the Market Price (MRRRA's "all in" cost of electricity) is \$0.085/kWh or less, MRRRA pays VGBL the Market Price and gets no rebate (i.e. if the Market price is \$0.07/kWh, MRRRA pays VGBL \$0.07/kWh). In this scenario, VGBL meets Market Price. In any month where the Market Price is between 0% and 5% greater than \$0.085/kWh, MRRRA would pay VGBL the Market Price and would get a rebate that graduates from 0% to 5% of Market Price (i.e. if the Market Price is \$0.08755/kWh, 3% greater than \$0.085, MRRRA would get a 3% rebate on the Market Price). In this scenario, VGBL beats Market Price by that percentage (between 0% and 5%). In any month where the Market Price is 5% or more above \$0.085/kWh, MRRRA pays VGBL the Market Price and receives a rebate equal to 5% of Market Price. In this scenario, VGBL beats Market Price by 5%.
- e. In the months where MRRRA receives a rebate, those funds will be used by MRRRA as an Infrastructure Investment Fund for the purpose of maintenance, repair, and improvement/upgrades to the electrical distribution system.

Steve Weems suggested inclusion of a term for the proposed PPA. After some discussion, it was agreed that the recommendation to the Executive Committee should include a maximum term.

The Committee approved a motion for the next Executive Committee meeting to authorize the Executive Director to enter into a power purchase agreement with Village Green Ventures/Village Green Brunswick Landing for a term of up to 10 years.

The UE&E Committee conference call was adjourned at 2 p.m.