Solar Powering Your Community Solar on Brownfields







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The SunShot Solar Outreach Partnership (SolarOPs) is a U.S. Department of Energy (DOE) program designed to increase the use and integration of solar energy in communities across the US.



- Increase installed capacity of solar electricity in U.S. communities
- Streamline and standardize permitting and interconnection processes
- Improve planning and zoning codes/regulations for solar electric technologies
- Increase access to solar financing options

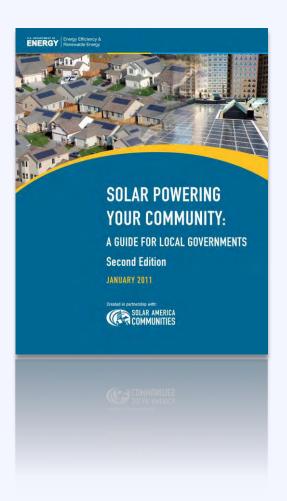


Resource

Solar Powering Your Community Guide

A comprehensive resource to assist local governments and stakeholders in building local solar markets.

www.energy.gov

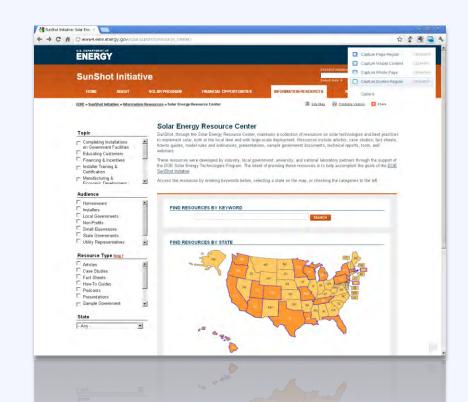




Resource

Sunshot Resource Center

- Case Studies
- Fact Sheets
- How-To Guides
- Model Ordinances
- Technical Reports
- Sample Government Docs

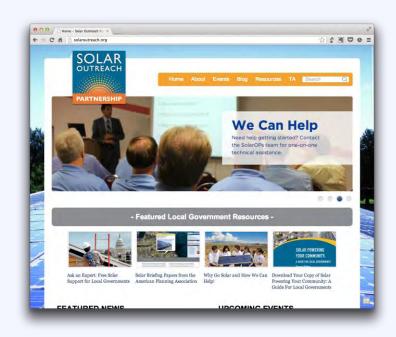


www4.eere.energy.gov/solar/sunshot/resource_center



Technical Support

- 'Ask an Expert' Live Web Forums
- 'Ask an Expert' Web Portal
- Peer Exchange Facilitation
- In-Depth Consultations
- Customized Trainings



www.solaroutreach.org

For more information email: solar-usa@iclei.org



Poll Who's in the room?



Poll What is your experience with solar?



Workshop Goals

You should leave today's workshop with:

- Knowledge of the planning process for brownfield redevelopment
- 2. An understanding of how to screen potential sites to determine feasibility for solar
- 3. An awareness of policies and incentives that support solar development



Agenda

8:40 -	– 8:45	Solar 101	



Agenda

8:40 - 8:45	Solar 101
8:45 — 9:05	Planning for Solar on Vacant Land
9:05 — 9:20	Screening Potential Sites
9:20 — 9:30	Exercise Part I
9:30 — 9:50	Financing Solar Projects on Brownfield Sites
9:50 — 10:00	Exercise Part 2
10:00 — 10:15	The Procurement Process
10:15 - 10:30	Exercise Review and Wrap Up



Solar Technologies



Solar Photovoltaic (PV)



Solar Hot Water



Concentrated Solar Power



Solar Technologies



Solar Photovoltaic (PV)

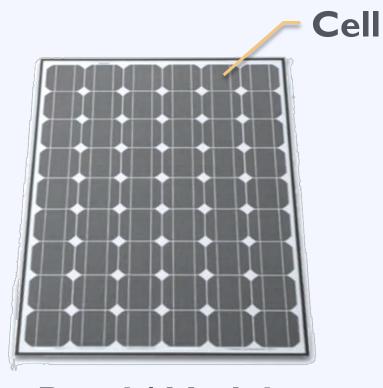


Solar Hot Water



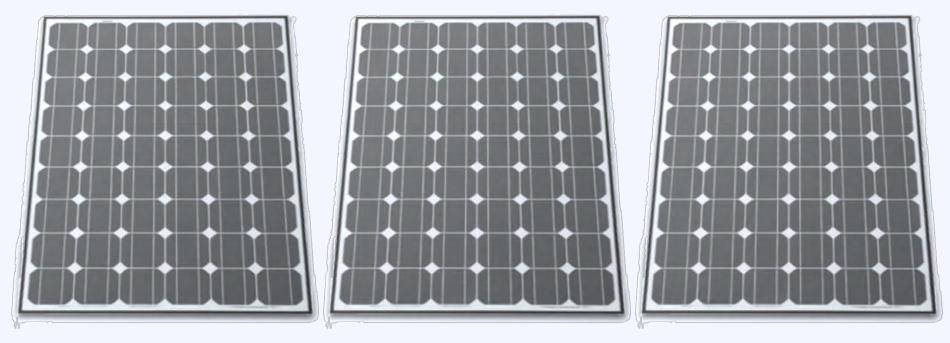
Concentrated Solar Power





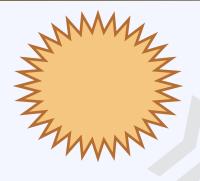
Panel / Module





Array







Capacity / Power kilowatt (kW)

Production

Kilowatt-hour (kWh)





Residence 5 kW



Factory
I MW+



Office 50 – 500 kW



Utility 2 MW+

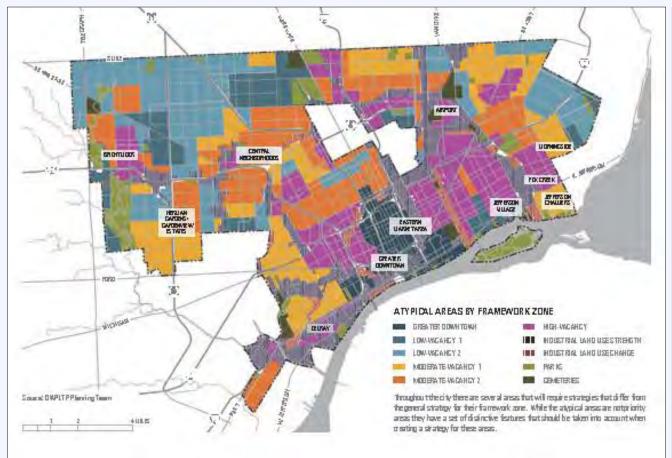


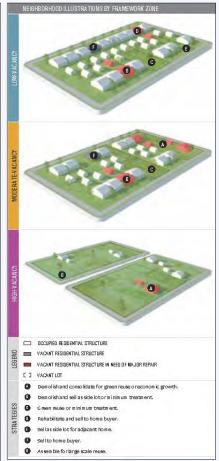
Agenda

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Planning for Solar on Vacant Land







A Typology of Vacant Property



Unencumbered



REO Properties



Redfields



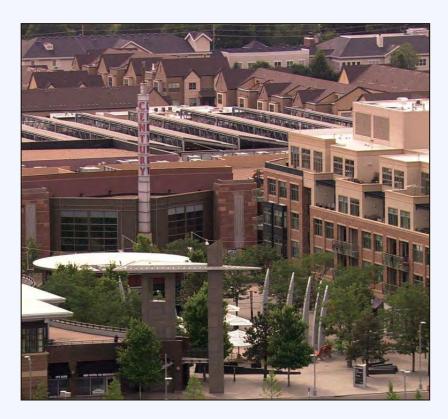
Grayfields



Brownfields



The Role of Market Strength



Belmar in Lakewood, CO



Dixie Square Mall in Harvey, IL

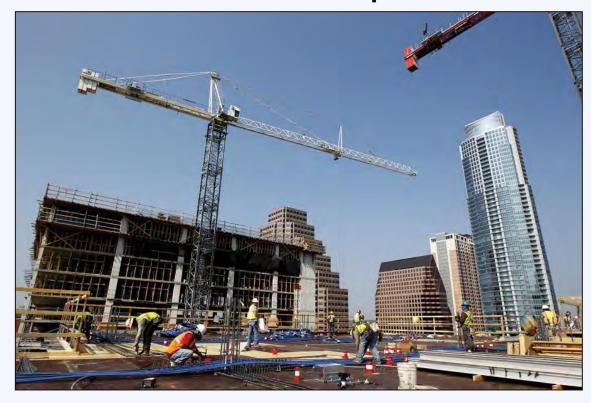


VS.

Vacant Land Management in Strong Markets

High demand for conventional development

- Housing
- Offices
- Retail
- Factories



Vacant Land Management in Weak Markets



Clean and Green



Community Gardens



Phytoremediation



Rain Garden



Urban Orchard



Solar Farm



The Case for Solar Redevelopment

- Doesn't preclude other uses
- Provides an economi return
- Easily scalable
- Relatively uncontroversial





Community Visioning and Goal Setting

- Establishing community priorities for vacant land management
- Building consensus around goals related to solar energy use

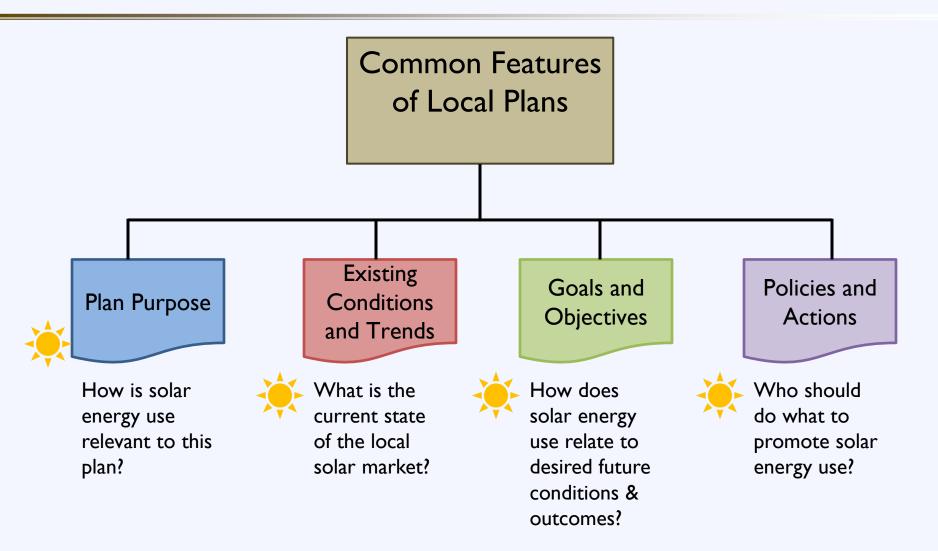


The Role of Local Plans

Comprehensive plans Communitywide Comprehensive Plan Subarea plans Functional or Neighborhood **Corridor Plans** strategic plans **Plans Special District Plans** Vacant Land Climate Action **Energy Plan** Management Plan Plan

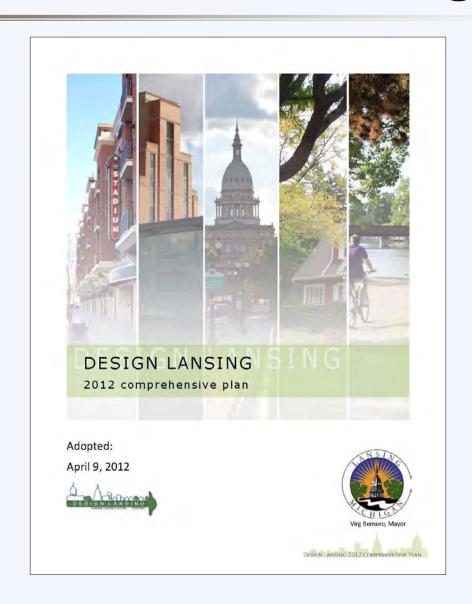


Common Plan Features





Comprehensive Plan: Lansing, MI



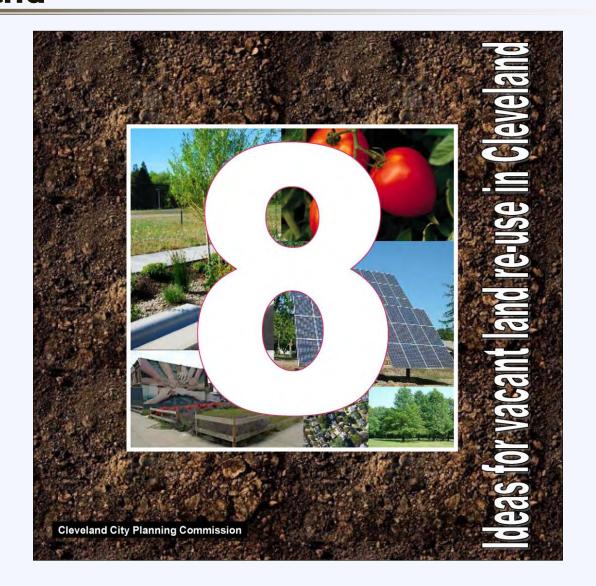


Subarea Plan: Old Brooklyn/Brooklyn Centre in Cleveland, OH





Strategic Plan: 8 Ideas for Vacant Land Reuse in Cleveland





The Role of Development Regulations

- Defining solar energy uses
 - Defining primary-use solar energy systems
 - Defining community solar projects
- Clarifying use permissions
 - Where will these uses be allowed?
 - Any use-specific limitations?



Enabling Urban Solar Farms: Milwaukee, WI

- Defines solar farm as "an array of multiple solar collectors on ground-mounted racks or poles that transmit solar energy and is the primary land use for the parcel on which it is located."
- Permits solar farms by right in all districts.



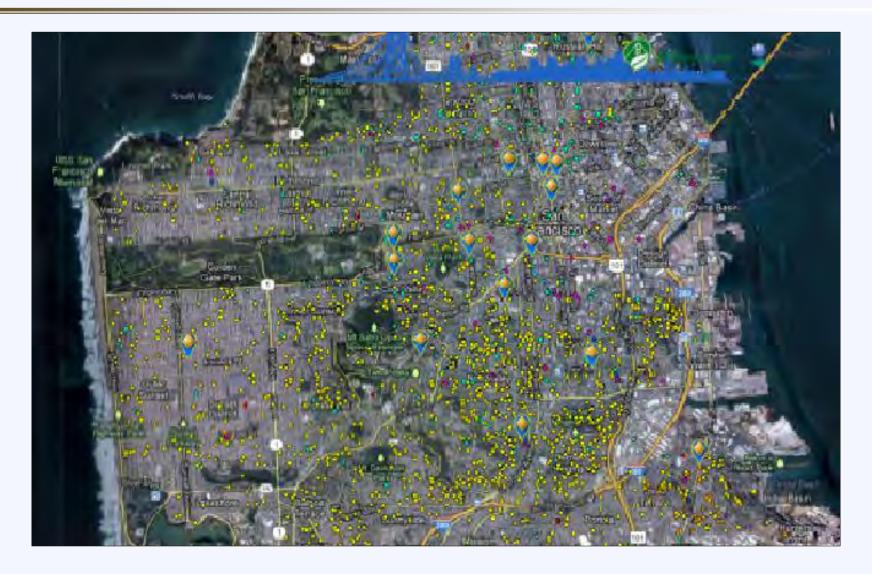


Sanctioning Community Solar: Baltimore, MD

- Defines community-based alternative energy systems as "an alternative energy system that primarily produces energy for consumption on site by a property owner or for supply to an electric grid; and is supported by community members who purchase energy from the system and who might benefit financially from the system."
- Permits community solar by right in all districts, subject to setback, height, and screening requirements.



Identifying Opportunities





Inventorying Vacant Properties

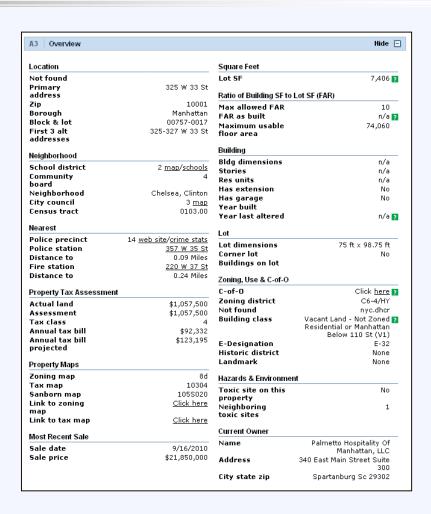
- Federal brownfield lists
- State brownfield lists
- Local inventories





Real Property Databases

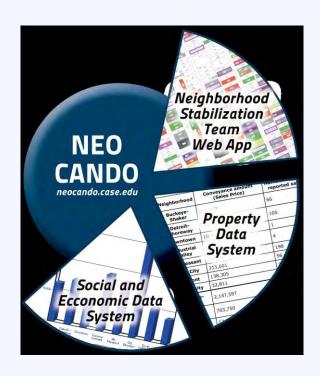
- Zoning
- Ownership
- Code violations
- Indicators of financial distress
- Prior use
- Environmental conditions





Real Property Database: NEO CANDO

- Northeast Ohio Community and Neighborhood Data for Organizing
- Data includes
 - Census
 - Crime data from the Cleveland Police Department
 - Vital statistics from the Ohio Department of Health
 - Property characteristics and sales information from the Cuyahoga County Auditor and Recorder
 - Public assistance data from Cuyahoga County Employment and Family Services
 - Juvenile delinquency data from the Cuyahoga County Juvenile Court
 - Child maltreatment data from the Cuyahoga County
 Department of Children and Family Services
 - Mortgage lending data (HMDA) from the FFIEC
 - Enrollment and attendance from the Cleveland Municipal School District





Agenda



RE-Powering America's Land: Solar Decision Tree

I. Pre-Screening

- Solar Resource
- Usable Acreage
- Distance to Infrastructure
- Site Characteristics

II. Site Screening

- Ownership
- Rooftop v. Ground Mounted
- Site Load Assessment
- Steps for Contaminated Lands

III. Financial Screening

- Policy Support
- Availability of Incentives
- Installation Costs



I. Pre-Screening

Solar Resource

 $> 3.5 \text{ kWh/m}^2/\text{day}$

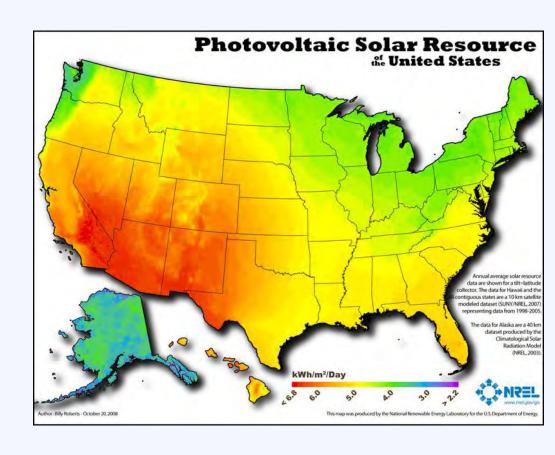
Acreage

Prioritize Sites:

≥ 5 acres

≥ 2 but < 5 acres

Estimate 5 acres per MW





I. Pre-Screening

Distance to Grid Infrastructure

 $< \frac{1}{2}$ mile to transmission or distribution lines

Distance to Graded Road

< I mile to road access

Site Slope

Less than 6 degrees (~10% grade)

Site Shading

6 hours of sunlight; I:I setback; 2 acres unshaded



Ownership

Does municipality own the land? If private owner, must gauge interest in selling/developing for solar

Rooftop vs. Ground Mounted

Rooftop requires sound existing structure not slated for demolition for 25+ years

Site Load Assessment

Average Retail Price of Electricity > \$0.08/kWh

On-site load = Net Metering

Off-site load = Virtual Net Metering or off-taker



Considerations for Landfills

Site feasibility is influenced by a number of unique factors:

- Landfill Closure Status
- Landfill Cap and Liner
- Redevelopment Restrictions

Covenants or Easements

Local Zoning or Building Codes

Restrictive Closure Permits

Certain Ground Conditions

No uniform soil settling

Installation violates erosion controls

Insufficient weight bearing capacity

Incompatible gas or leachate

management practices

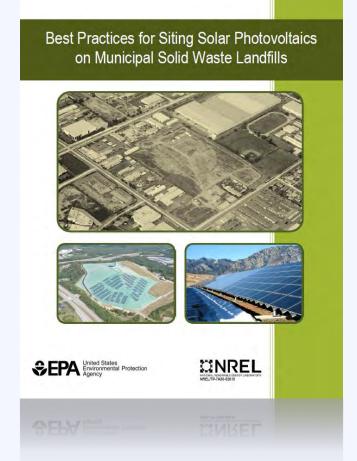


Resource

Best Practices for Siting Solar Photovoltaics on Municipal Solid Waste Landfills

A comprehensive guide covering PV technology, unique site feasibility criteria, and system design considerations.

www.epa.gov/renewableenergyland/docs/best_practices_siting_solar_photovoltaic_final.pdf





Potentially Contaminated Sites

Category 1

Site Assessed; Remediation is not a barrier

Category 2

Site Assessed; Remediation plan in place but process not completed

Category 3

Site Assessed; No remediation plan in place

Category 4

Site Not Assessed; Contaminants may be present

Category 5

Site Not Assessed; Contaminant Investigation and Required

Highest Priority

Lowest Priority



III. Financial Screening

Incentives

Federal ITC/ MACRS

QECBs

State RPS/ SRECs

Rebates

Tax Credits

Feed-in Tariffs

Policy Support

Third Party Ownership

PACE

(Virtual) Net Metering

Installed Costs

Large Commercial

(> 100kW)

\$2.25 - \$2.75/W



Agenda



Agenda



The Solar Equation

Cost

+ Installed Cost

+ Maintenance

Direct Incentive

Benefit

+ Avoided Energy Cost

+ Excess Generation

+ Performance Incentive



The Solar Equation

Cost

- + Installed Cost
- + Maintenance

Direct Incentive

Benefit

- + Avoided Energy Cost
- + Excess Generation

+ Performance Incentive



The Cost of Solar

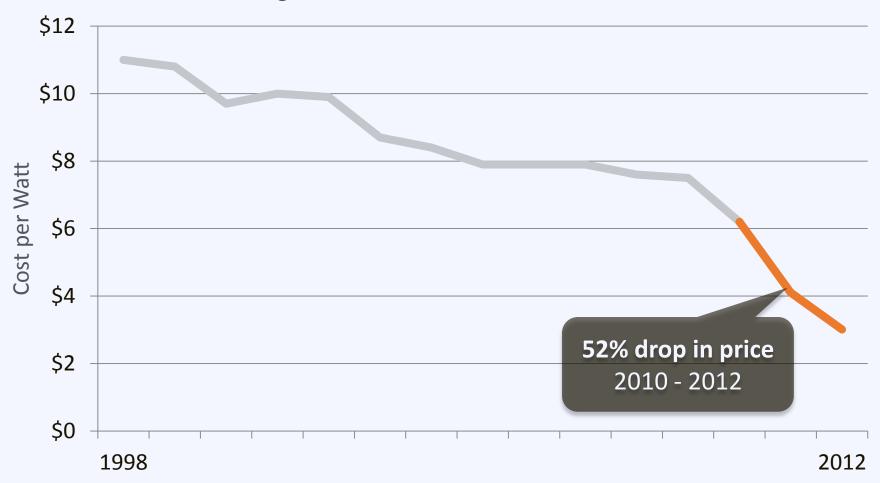






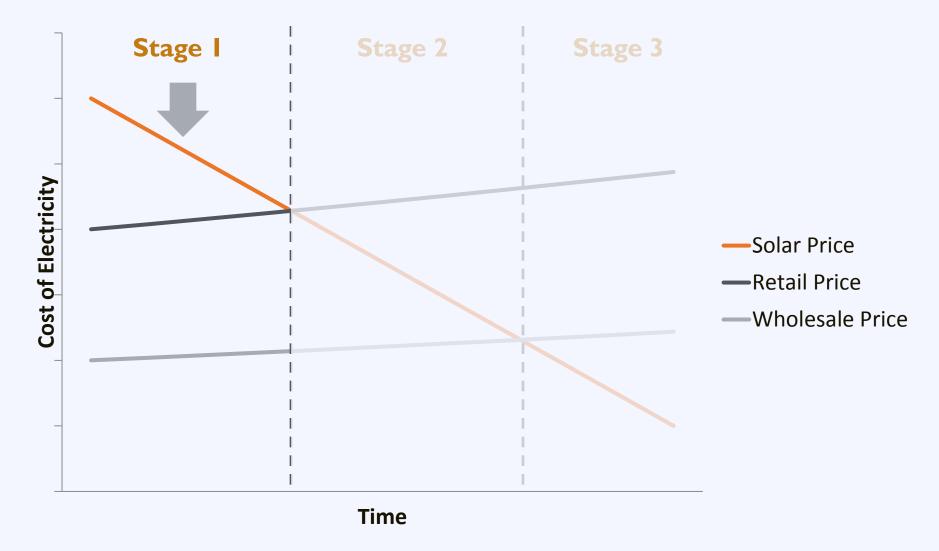
The Cost of Solar







Solar Market Stages





The Solar Equation

Cost

- + Installed Cost
- + Maintenance

Direct Incentive

Benefit

- + Avoided Energy Cost
- + Excess Generation
- + Performance Incentive



Incentives: Solar

Qualified Energy Investment Tax Accelerated **Federal** Conservation Credit Depreciation Bonds Property Tax Credits Tax Exemptions Assessed Clean **State** Energy Renewable Rebates Utility Net Metering Feed-in Tariff **Energy Credits**



Incentives: Solar

Federal

Investment Tax Credit

Qualified Energy Conservation Bonds

Accelerated Depreciation

Property Assessed Clean Energy

Renewable Energy Credits

Net Metering

Rebates

Feed-in Tariff



Investment Tax Credit

Type: Tax Credit

Eligibility: For-Profit Organization

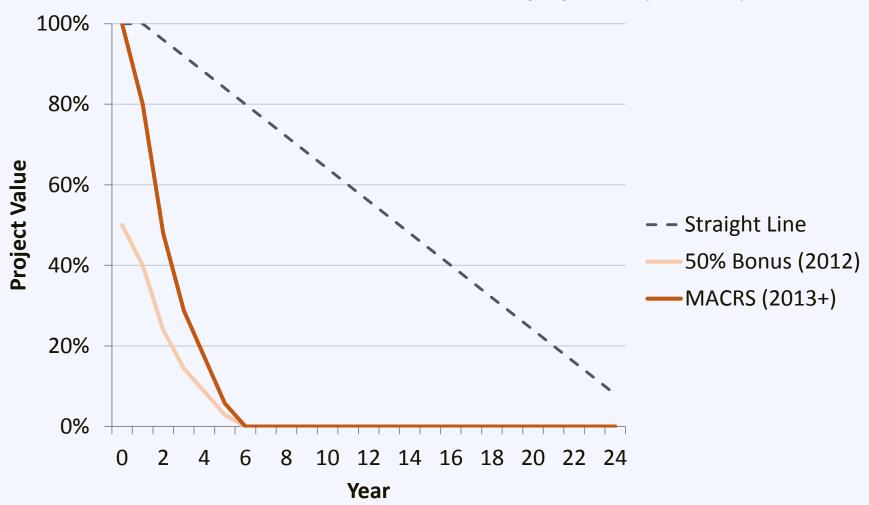
Value: 30% of the installation cost

Availability: Through 2016



Accelerated Depreciation





Qualified Energy Conservation Bond









Qualified Energy Conservation Bond











Incentives: Solar

Federal

Investment Tax Credit Qualified Clean Energy Bonds

Accelerated Depreciation

State

Tax Credits

Tax Exemptions Property
Assessed
Clean Energy

Utility

Renewable Energy Credits

Net Metering

Rebates

Feed-in Tariff



Incentives: Solar

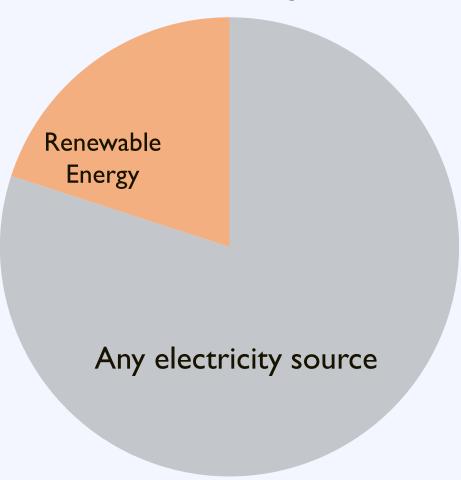
Federal Investment Tax Credit Clean Energy Bonds Accelerated Depreciation

State Tax Credits Tax Exemptions Property Assessed Clean Energy

Renewable Energy Credits Net Metering Rebates Feed-in Tariff

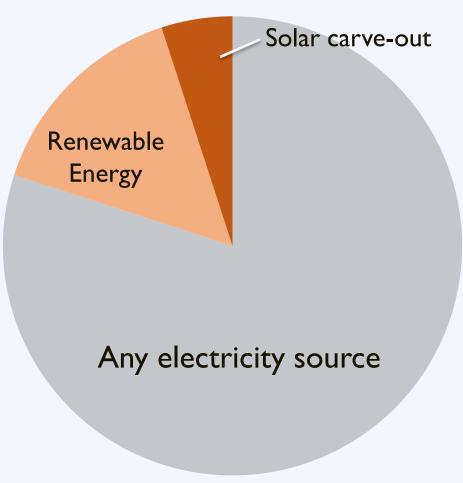


Retail Electricity Sales

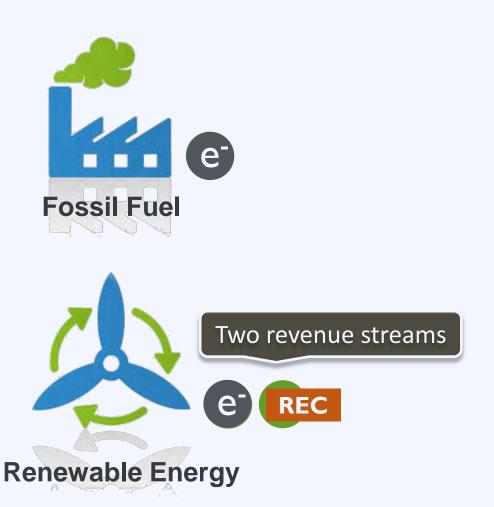




Retail Electricity Sales

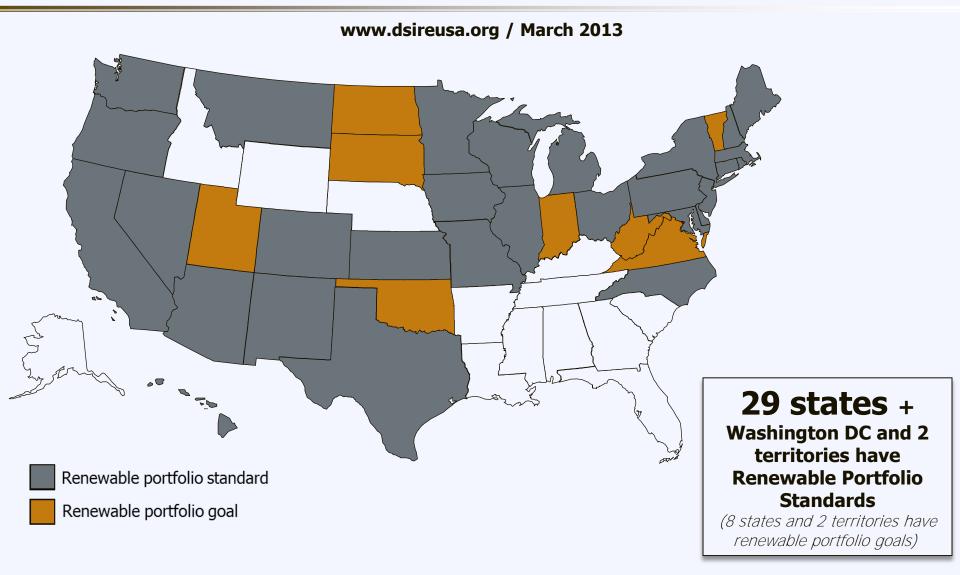














Net Metering

Net metering allows customers to export power to the grid during times of excess generation, and receive credits that can be applied to later electricity usage



Net Metering: Overview

Morning







Net Metering: Overview

Afternoon







Net Metering: Overview

Night Utility

Solar covers 100% of the customer's load, even at night!

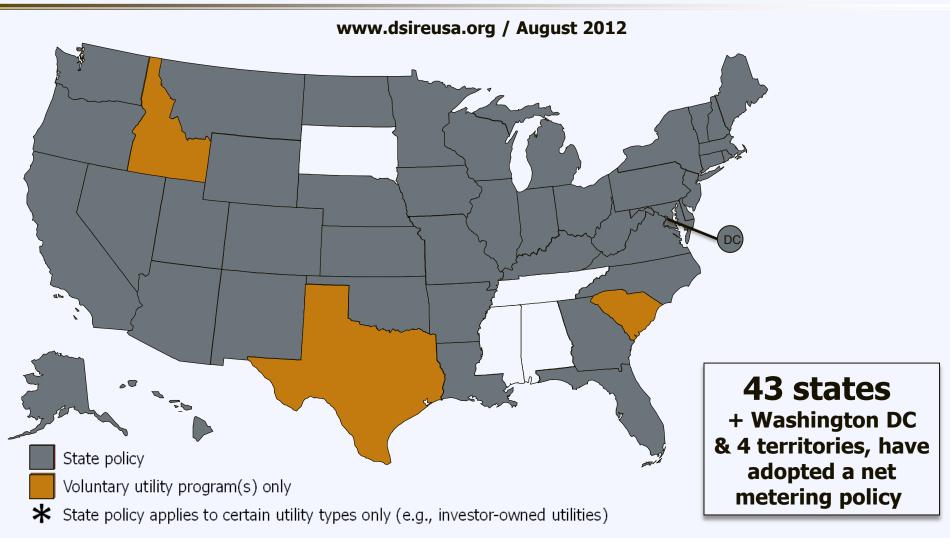


Net Metering: Market Share

More than 93% of distributed PV Installations are net-metered



Net Metering: State Policies



Note: Numbers indicate individual system capacity limit in kilowatts. Some limits vary by customer type, technology and/or application. Other limits might also apply.

This map generally does not address statutory changes until administrative rules have been adopted to implement such changes.

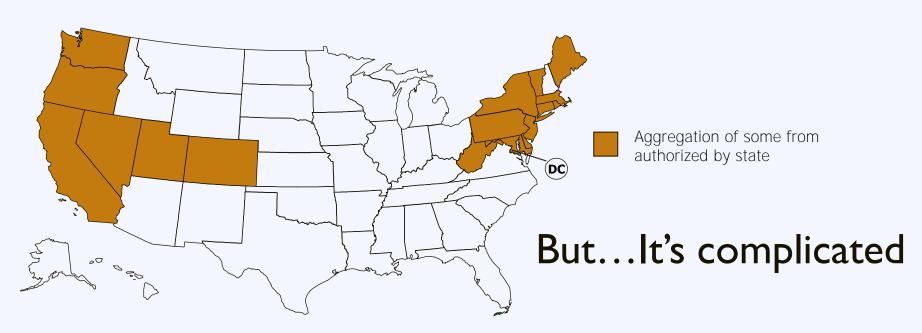


Net Metering: Virtual





Net Metering: Meter Aggregation



- Ownership requirements
- Contiguous vs. non-contiguous properties
- Multiple customers
- Multiple generators
- Modified system/aggregate system size limits

- Rollover rates
- Distance limitations
- Number of accounts
- How to address accounts on different tariffs

Net Metering: Resources

Resource

Freeing the Grid

Provides a "report card" for state policy on net metering and interconnection

http://freeingthegrid.org/





Incentives: Brownfields

Economic Environmental Housing and Development **Federal** Urban Protection Administration Development Agency **Technical** Voluntary Gap Financing **State** Cleanup Assistance Revolving Tax Tax Increment Local **Abatements** Loans Financing



Incentives: Brownfields

Federal

Environmental Protection Agency

Housing and Urban Development

Economic
Development
Administration

Areawide Planning Grants

Community
Development Block
Grants

Public Works

Assessment Grants

Section 108 Loan
Guarantees

ED Planning Assistance

Cleanup Grants

Brownfields EDI

Global Climate
Change Mitigation
Incentive Fund

Revolving Loans



Ownership Options

Direct Ownership Third-Party
Ownership



Direct Ownership





Direct Ownership

Pros

- Low cost electricity
- REC revenue
- Utilize cheap bond money

Cons

- Large upfront cost
- Long term management
- Can't take tax benefits
- Development risk
- Performance risk



Third Party Ownership



Third Party Ownership

Pros

- No upfront cost
- No O&M costs
- Low risk
- Predictable payments
- Tax benefits

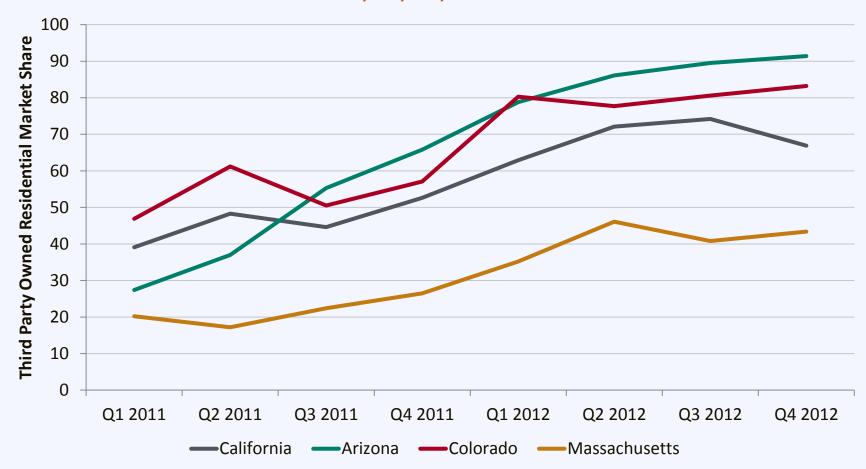
Cons

- Don't keep RECs
- Can't use bonds



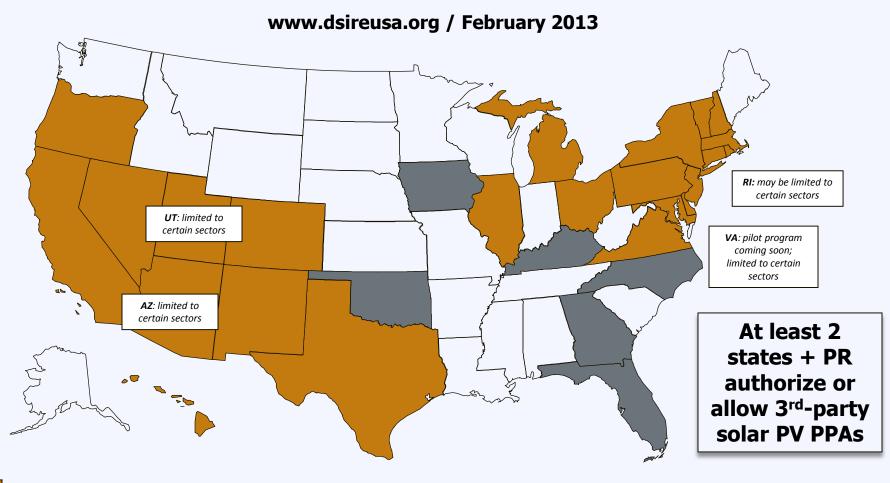
Benefits of PPAs

Percentage of New Residential Installations Owned by Third Party in CA, AZ, CO, and MA





Third Party Ownership: State Policy



Authorized by state or otherwise currently in use, at least in certain jurisdictions within in the state

Apparently disallowed by state or otherwise restricted by legal barriers

Puerto Rico

Status unclear or unknown

Note: This map is intended to serve as an unofficial guide; it does not constitute legal advice. Seek qualified legal expertise before making binding financial decisions related to a 3rd-party PPA. See following slides for additional important information and authority references.

Ownership Structure Decision

- Are you a taxpaying entity?
- Do you have access to financing or available cash?
- How does this compare to other opportunities?
- Can you enter into long-term contracts?
- Do you want to own the system?
- Do you have a municipal utility?
- Do you need the RECs for compliance?



Agenda



Agenda

8:40 - 8:45	Solar	101
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10:00 – 10:15 The Procurement Process

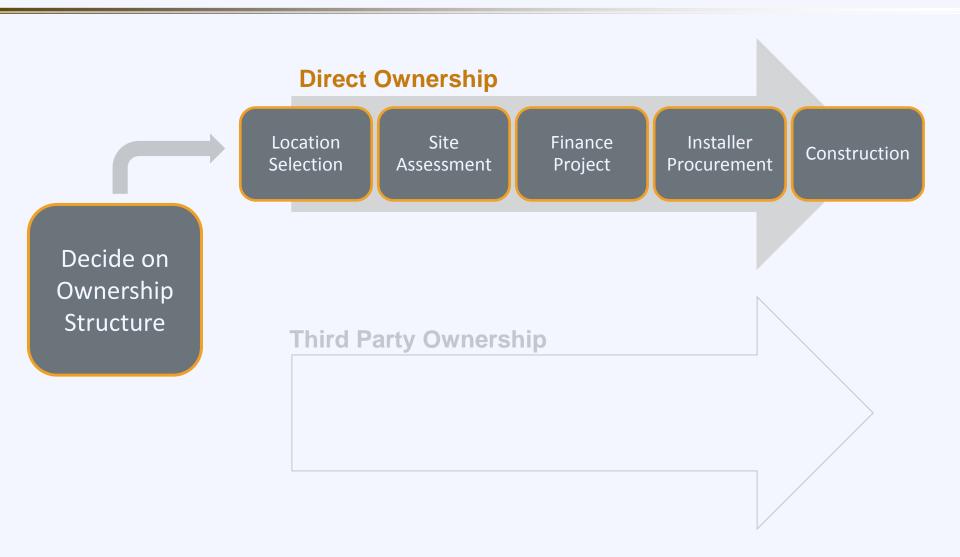
10:15 – 10:30 Exercise Review and Wrap Up



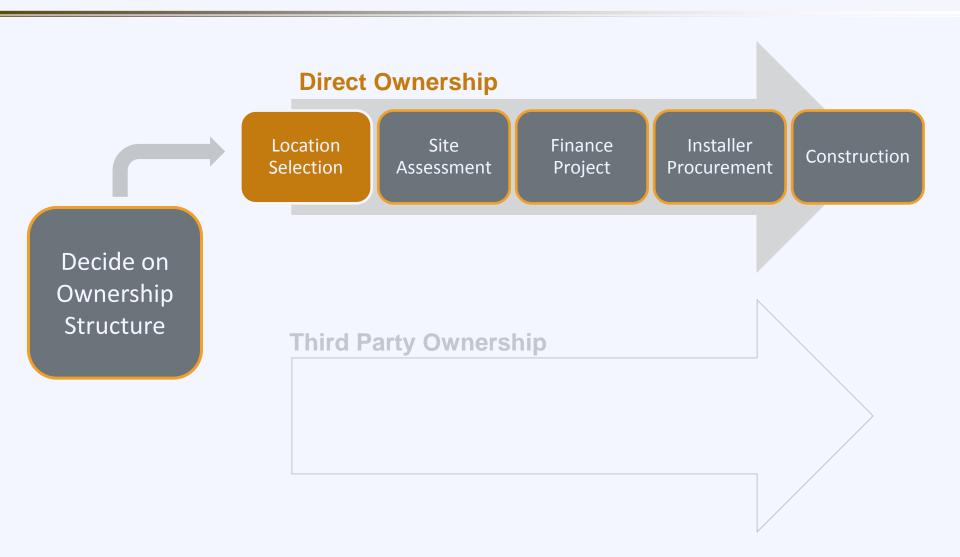
Decide on Ownership Structure **Option 1:** Direct Ownership

Option 2: Third Party Ownership











Step I: Location Selection

Who is using the energy?

Where is the energy being used?

What is the user's energy load?

What is the user's energy cost?



Step I: Location Selection

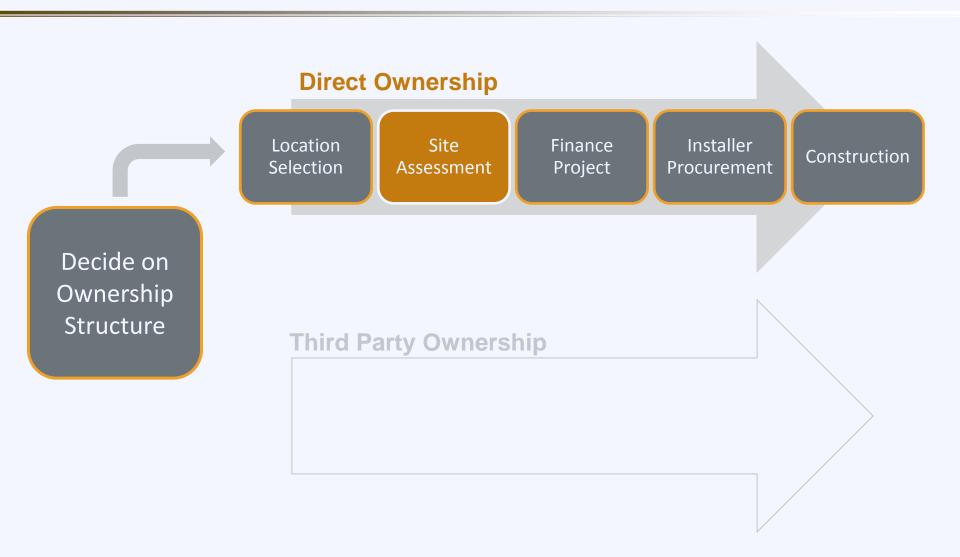


Rooftop



Ground







Step 2: Site Assessment

- Solar Access Rights
- Interconnection
- Wind loading
- Roof age, type, & warranty
- Electrical configuration
- Slope, Shading and orientation



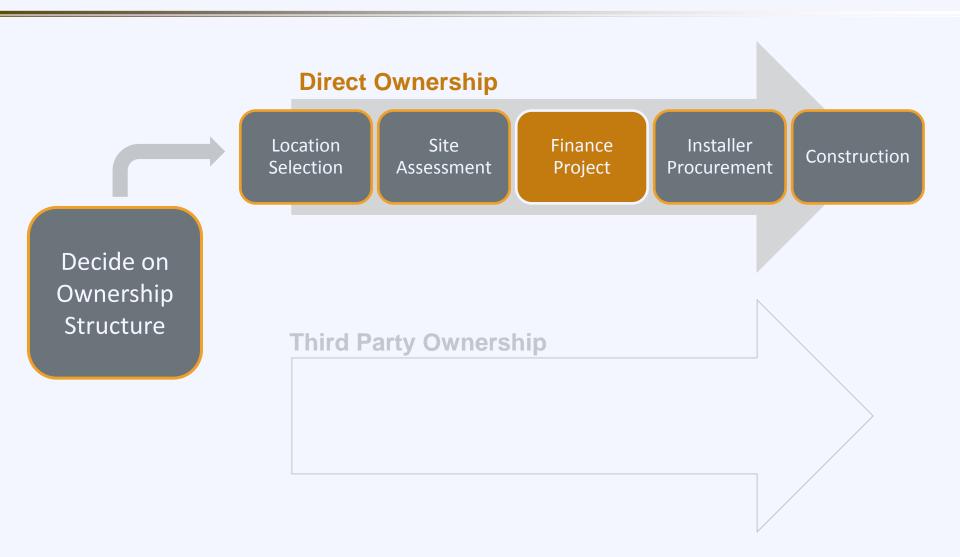


Step 2: Site Assessment

- Usable acreage
- Slope
- Distance to transmission lines
- Distance to graded roads
- Conservation areas





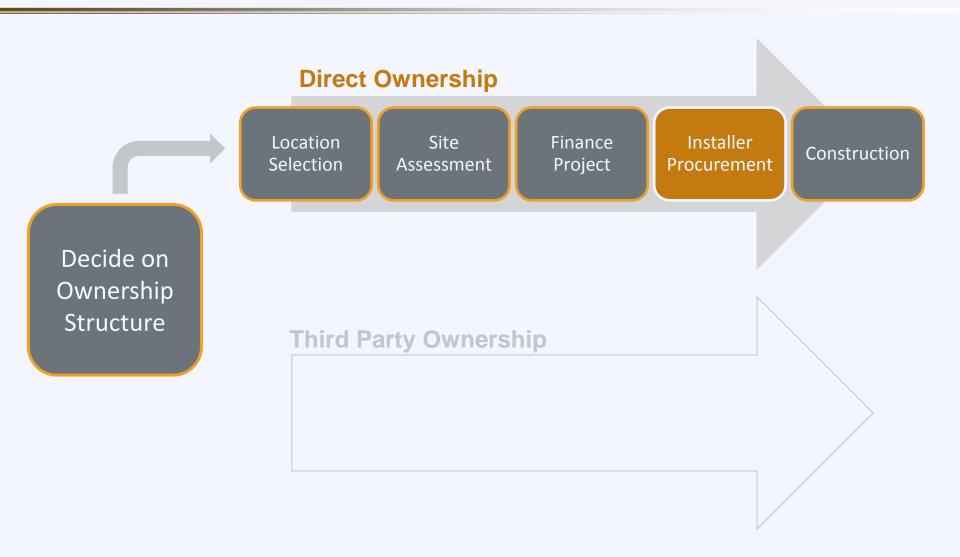




Step 3: Finance Project

- Direct purchase
- Grant financed
- ESCO/performance contracting
- Loans
- Bonds





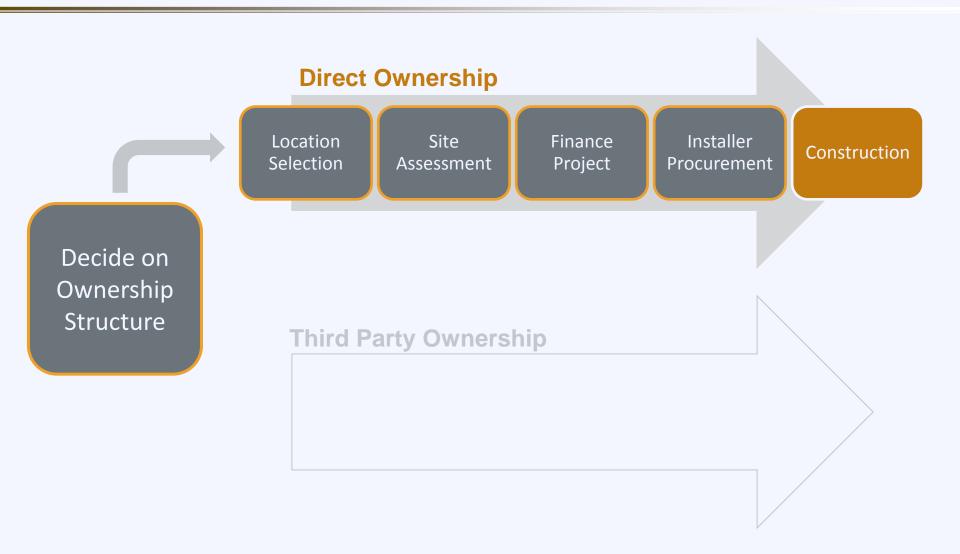


Step 4: Installer Procurement

EPC = Engineer, Procure, Construct

- Designs the project
- Completes necessary permitting requirements
- Works with the utility to file for interconnection
- Assists in procuring components
- Applies for incentives
- Manages project construction







Direct Ownership

Pros

- Low cost electricity
- REC revenue
- Maximize underutilized spaces

Cons

- Large upfront cost
- Long term management
- Can't take all incentives
- Development risk
- Performance risk

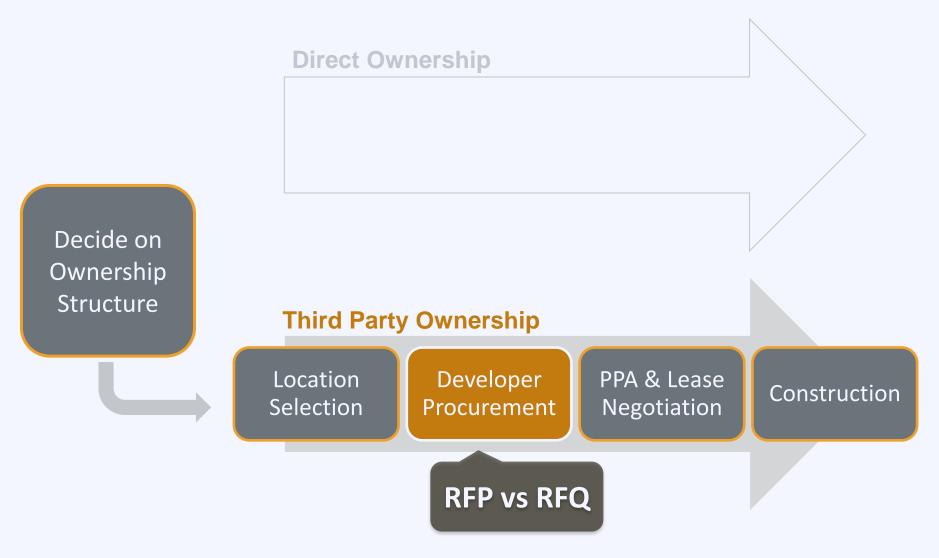














Step 2: Developer Procurement

Avoid Five Common Pitfalls:

- RFP/RFQ specifications are too restrictive or too unstructured
- Competing measures of system efficiency
- Finding sufficient number of qualified bidders
- Lack of effective O&M program
- Lack of strong monitoring program



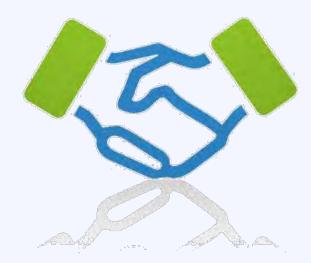




Step 3: Contract Negotiation

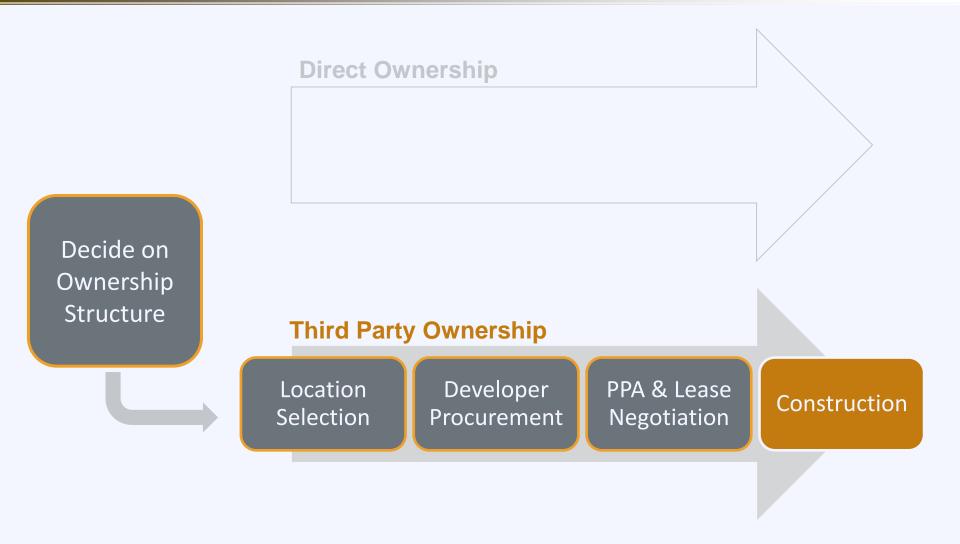
Negotiation points:

- Fixed or floating electricity price
- Price escalator
- Contract term length
- Property taxes
- Liability
- Performance guarantee
- Regulatory risk





Process





Third Party Ownership

Pros

- No upfront cost
- No O&M costs
- Low risk
- Predictable payments

Cons

- Market electricity price risk
- Limited opportunity in some states
- Don't keep RECs



Agenda

10:15 – 10:30 Exercise Review and Wrap Up



Scituate Case: Site Screening

Site Characteristic	Description	Guideline	Decision
Solar Resource	4.29 kWh/m²/day	> 3.5 kWh/m ² /day	Suitable
Acreage	29 acres total; 6.2 acres for solar	≥ 5 acres; ≥ 2 but < 5 acres	Suitable
Distance to Grid	< 0.1 miles	< 0.5 miles	Suitable
Distance to Roads	< 0.1 miles	< 1.0 miles	Suitable
Site Slope	9% to 11% grade	≤ ~10% grade	Suitable*
Site Shading	6.2 acres for solar	> 2 acres	Suitable
Ownership	Municipality	Purchase if private	Suitable
Rooftop v. Ground	Open Ground		Ground
Load Assessment	Nearby municipal properties	Retail Rates > \$0.08/kWh	Virtual Net Metering
Landfill Status Powered by SunShot	Closed & Capped; Landfill gas extraction	Closed; No concerns	Suitable*

U.S. Department of Energy

Scituate Case: Financial Screening

Financial Screen

System

Ownership Options:

Third-Party Ownership

Direct Ownership*

Federal Incentives

Available:

30% ITC**

MACRS**

QECBs

Supportive State

Policies:

RPS w/ Solar Carve-Out

(Virtual) Net Metering

PACE

Check State Solar Incentives at www.dsireusa.org/solar

^{**} These incentives would only be available if a private developer owned the project (as with TPO or land lease)



^{*} Alternatively, the land could be leased to a developer who would own the project and find an off-taker

Scituate Case: In Development





Columbus Case: Site Screening

Site Characteristic	Description	Guideline	Decision
Solar Resource	4.94 kWh/m ² /day	> 3.5 kWh/m²/day	Suitable
Acreage	90 acres total; 55 acres for solar	≥ 5 acres; ≥ 2 but < 5 acres	Suitable
Distance to Grid	~ 0.3 miles	< 0.5 miles	Suitable
Distance to Roads	< 0.1 miles	< 1.0 miles	Suitable
Site Slope	"Minimal"	≤ ~10% grade	Suitable*
Site Shading	55 acres for solar	> 2 acres	Suitable
Ownership	Private	Purchase if private	Suitable*
Rooftop v. Ground	Open Ground		Ground
Load Assessment	Various nearby properties	Retail Rates > \$0.08/kWh	Find Off-Taker
Site Status Powered by SunShot	Closed; Remediation Complete	Site Assessed; Remediation not a barrier	Suitable

U.S. Department of Energy

Columbus Case: Financial Screening

Financial Screen

System
Ownership Options:

Third-Party Ownership

Direct Ownership*

Federal Incentives

Available:

30% ITC**

MACRS**

QECBs

Supportive State

Policies:

RPS w/ Solar Carve-Out

(Virtual) Net Metering

PACE

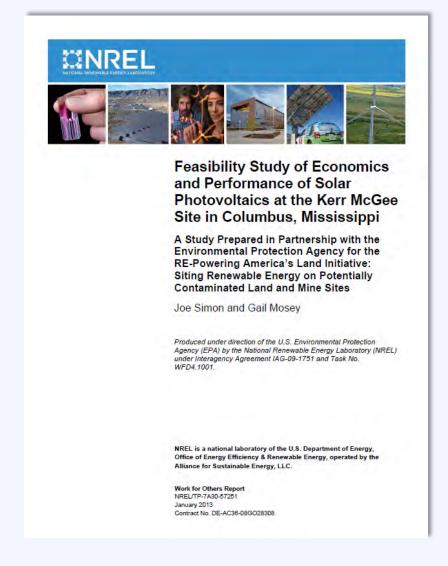
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^{**} These incentives would only be available if a private developer owned the project (as with TPO or land lease)



^{*} Alternatively, the land could be leased to a developer who would own the project and find an off-taker

Columbus Case: Currently Assessed





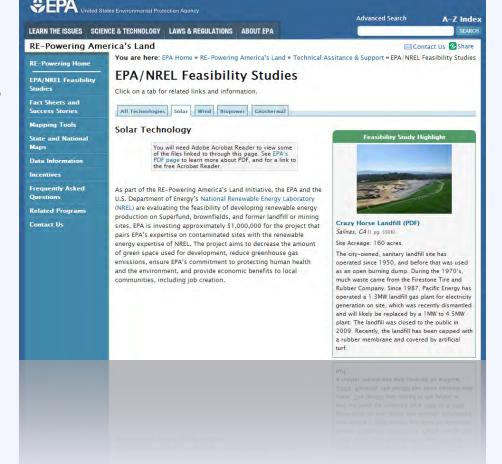
Additional Studies

Resource

EPA/ NREL Feasibility Studies

Provides fact sheets and feasibility studies on the suitability of Superfund, brownfield, landfill, and former mining sites for solar energy development.

www.epa.gov/oswercpa/rd_st udies.htm#solar

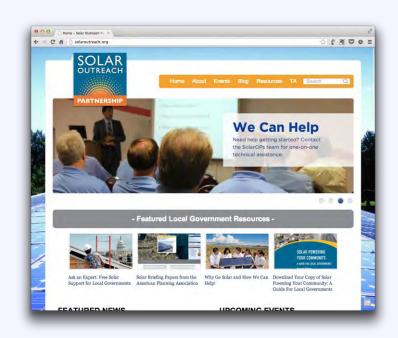




About the SunShot Solar Outreach Partnership

Technical Support

- 'Ask an Expert' Live Web Forums
- 'Ask an Expert' Web Portal
- Peer Exchange Facilitation
- In-Depth Consultations
- Customized Trainings



www.solaroutreach.org

For more information email: solar-usa@iclei.org





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Appendix



Federal Brownfields Funding

EPA

Areawide Planning Grants

Assessment Grants

Cleanup Grants

Multi-purpose Grants

Revolving Loans

HUD

Community Development Block Grants

Section 108 Loan Guarantees

Brownfields Economic Development Initiative

EDA

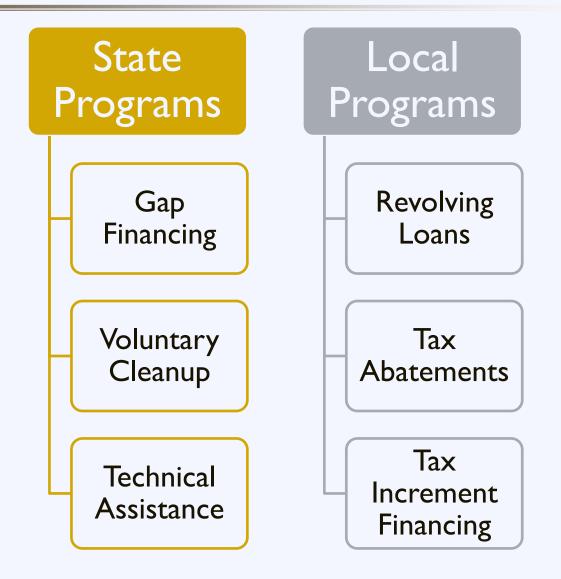
Public Works and Economic Development Assistance Program

ED Planning Assistance

Global Climate Change Mitigation Incentive Fund



State and Local Brownfields Funding





Incentives: EPA Grants

Assessment Grants: Up to \$400,000 for planning, environmental assessments, and community outreach.

Cleanup Grants: Up to \$200,000 to carry out cleanup activities at brownfields sites.

Revolving Loan Funds: Up to \$1 Million to capitalize a revolving loan fund that provides loans to carry out cleanup activities



Incentives: HUD Grants

The following grants from HUD are eligible for brownfields rehabilitation:

- Community Development Block Grants (CDBG)
- Section 108 Loan Guarantees

- Economic Development Initiative (EDI) grants
- Brownfields Economic Development Initiative (BEDI)

