

**Business of the Village Board
Village of Saranac Lake**

SUBJECT: Northern Power & Light Letter of Intent FOR AGENDA: 1-8-2024

DEPT OF ORIGIN: Mayor Williams

BILL #: 1-2024

DATE SUBMITTED: 1-3-2024

EXHIBITS:

APPROVED AS TO FORM:

Village Attorney

Village Administration

EXPENDITURE
REQUIRED:

AMOUNT
BUDGETED:

APPROPRIATION:

Authorize Clean Energy Letter of Intent Agreement with Northern Power & Light

MOVED BY: Scollin SECONDED BY: Brunette

VOTE ON ROLL CALL:

MAYOR WILLIAMS

yes

TRUSTEE BRUNETTE

yes

TRUSTEE CATILLAZ

yes

TRUSTEE SCOLLIN

yes

TRUSTEE SHAPIRO

yes



January 4, 2024

**Letter of Intent Regarding
Community Renewable Power Service for
the Village of Saranac Lake**

This Letter of Intent serves to memorialize the negotiated terms of service for community renewable power to the Village of Saranac Lake (the Village) from Northern Power & Light, Inc (NP&L). By sourcing hydro power credits from NP&L through its Community Distributed Generation program, the Village will direct its energy expense towards renewable energy while receiving an annual savings.

1 - Closing or Termination

This transaction will close on or before February 1, 2024. The Letter of Intent will expire on that date if not acted on.

2 - Non-Binding

This Letter is intended only as a reflection of the intent of the parties with respect to the transaction, and neither this letter or its acceptance shall constitute or create a legally binding obligation on either party.

3 - Product

3.1 Hydro Electricity credits from Azure Mountain Power and Sissonville Hydro to offset 80-100% of the Village's electricity cost

Through its participation in CDG with NP&L, The Village of Saranac Lake will ensure that its electricity dollar supports renewable energy produced by local hydropower. The volume of credits will be calculated to offset 80 -100% of the cost of the Village's approximately 1800 MWh/year load.

4 - Cost

4.1 - Credits billed at 5% discount

NP&L will bill and the Village will pay for the value of the credits, less a 5% discount. The service will result in a net savings of approximately \$12,000- \$15,000 per year.

5 - Clean Energy Campaign

Enrollment of the Village will contribute to the ongoing Climate Smart Communities Clean Energy Campaign to enroll Village residents and earn sustainability grant funding for the Village.

6 - Clean Energy Communities

Municipal enrollment in CDG is a "High Impact Action" under the CEC program, for which the Village will earn 300 points towards future grant opportunities.

Northern Power & Light, Inc
PO Box 1197, Saranac Lake, NY 12983
www.npandl.com



7 - Term

NP&L proposes an initial contract term of two years. Following this, the contract will renew automatically on an annual basis, with the provision that the Village may exit or reduce the contract volume at any time with three month's notice.

8 - Existing Hydro Credits

The Village currently produces a small number of its own hydro credits from the Lake Flower Dam. Service from NP&L will serve only those National Grid accounts not served by the Lake Flower hydro. In the event that the production from Lake Flower increases for any reason, service from NP&L will be reduced accordingly.

9 - A Partner for the Future

More than a DER Provider, NP&L is a long-term partner with our customers in furtherance of the goal of sustainability. We will always be available to help evaluate future opportunities related to clean energy for the Village and its residents.

10 - Notices

10.1 - Notices regarding this letter may be directed to NP&L via email to emmett@npandl.com, or via Mail to PO Box 1197, Saranac Lake, NY, 12983

10.2 - Notices regarding this Letter may be directed to the Village of Saranac Lake Clerk Amanda Hopf, clerk@saranaclakeny.gov copy Village Manager Bachana Tsiklauri, manager@saranaclakeny.gov

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