

Northport Energy Action Taskforce, Inc.
Board of Directors Meeting
January 12, 2017

Meeting called to order 9:50 AM

A. Nomination of Officers

Motion by Phil to nominate: Pres. Doug McInnis, VP Joe DeFors, Secretary Ann McInnis, Treasurer Peter Wolcott. Seconded by Jane Packard. Vote unanimous.

B. Marketing and Outreach Committee - Joe DeFors

Joe presented a set of rules developed by Joe and Peter Wolcott for the handling of funds by Northport Energy. The rules would establish a mechanism for tracking income and outflow of funds and membership dues payments. Expenditures under \$150 would be allowable by the Treasurer without other approvals. Expenditures between \$150 and \$999 would require approval of 51% of the Board and expenditures greater than \$999 would require submittal of a completed Northport Energy Funding Request by a sponsoring member and 51% Board approval. Additional rules/refinements based on group suggestions will be added at our next meeting.

C. Policy Committee - Peter Wolcott

Peter reported that on Dec. 28th, 2016 Governor Snyder signed into law, Public Acts 341 and 342 (SB 437 & 438) which represents a rewrite of Michigan energy statutes. One of the significant areas changed was the net metering program. In brief the legislation will create a tariff for customers with distributed generation systems, existing systems are grandfathered, and the removal of transmission charges for the full retail rate used in calculating customer credits. The implementation of these and other changes now shifts to the Michigan Public Service Commission (MPSC). There is still work to be done, such as, to ensure the tariff fully reflects the economics, grid management, and other benefits of distributed solar system provides. The new rules are not expected until June 2018.

Renewable energy property is now facing the prospects of being taxed as personal or real property. Bingham Township considers the solar system at Leelanau Cheese as personal and subject to local taxation under a Michigan Tax Tribunal ruling. Several questions arise. How can a ground mounted system be classified as personal property? How is the value determined and what is the useful life? Ann Arbor is going thru the appeal process. There is also a collation of folks working to exempt renewable property by legislation or regulation.

Tom Van Pelt discussed Cherryland Electric's 1.2 megawatt solar garden located at Wolverine Power's headquarters. (A cooperative project is not subject to the provisions of the Public Acts discussed above). Many of the panels are installed and

they are working on details of how to make available to members of the cooperative, legalities, etc. Will have generous rebates making it financially attractive. Tom is on the Wolverine Board and will share information with Northport Energy when available.

D. Projects Committee - Steve Smiley

Steve stated the committee's mission was to identify, propose and advance renewable energy projects with the goal of transforming the Leelanau region into a community 100 percent powered by efficient and sustainable energy sources. He visually showed the solar and wind projects accomplished in Leelanau Township and other parts of the county, such as, LCE wind turbine and solar project at the Village Wastewater Treatment Plant, Northport Creek Golf Course, Garthe farm solar, etc.

Solar projects are attractive now with cost under \$2 per watt for ground mounted systems. Cherryland Electric's Buy-all/Sell-all is attractive to agriculture businesses. REAP grants, Federal tax credits and depreciation deductions all reduce the payback period to around 8 years. Other potential projects: Thomas and Milliken solar system, Condo Association solar model "The Shores", Suttons Bay waste water solar project, Trillium farms solar.

The Village of Northport is interested in electric vehicle charging stations at the marina and other village locations. It's an opportunity to move forward toward renewables in an impressive way. Details need to be worked out such as stations locations, funding sources, location of a large village solar array to account for EV charging kWh, ownership, etc.

There are many renewal energy opportunities. To properly describe energy projects and to educate the public it is important to understand energy language. Steve covered wind energy and solar basics and the meaning of terms such as watts, kilowatts, kilowatt hours, energy use by the township, etc.

Meeting adjourned 11:30 AM

Respectively Submitted, Ann McInnis

