

October 15, 2013

Criteria for Selecting Solar Vendor

Wayland solicited proposals to install solar on the Middle School roof and in the old quarry by the Happy Hollow wells. We have offers for both sites from two solar developers: Broadway Electric and SunEdison. Both companies and their proposals are available to Wayland under separate M.G.L. Ch. 25A§11i competitive bidding procurements organized by the Metropolitan Area Planning Council (MAPC) and PowerOptions. Broadway Electric was selected as part of an MAPC process that Wayland participated in¹. SunEdison was selected in a process run by Power Options; Wayland is a member of Power Options.²

The Energy Committee reviewed the proposals and identified at least four broad evaluation criteria listed below:

1. Price & Flexibility in Contract Structure.
 - a. **Happy Hollow** Broadway has offered both a PPA and a net metering credit options to Wayland. Their proposals have more details and financial assumptions than shown in SunEdison's proposals. The prices offered by Broadway Electric are slightly more favorable than the PPA price proposed by Sun Edison. Broadway says their net metering credit structure will offer a more favorable economic outcome for Wayland. Under the PowerOptions program, SunEdison has only offered to sell the power to Wayland under a PPA.
 - b. **Middle School** The prices proposed by both vendors are similar. Again, Broadway offers the option of net metering, while SunEdison does not. As with their Happy Hollow proposals, the prices are not locked in yet, and subject to adjustment following detailed engineering analyses and permitting. Also, the prices offered will change slightly to reflect pending changes in the state's solar incentives and the scaling back of a federal tax incentive at the end of 2013.
2. Experience. Both firms have solid solar track records and completed multiple projects of these sizes and types. The town's consultant on the ESCO project, Beth Greenblatt of Beacon Integrated Solutions, has provided a positive review of Broadway. She is currently working with Broadway on several municipal projects and has found them to be technically sound and easy to work with. We are checking references for SunEdison.
3. Local Capability/Capacity. Broadway is a local firm based in Massachusetts, which offers advantages in terms of attending evening meetings and meetings with modest notice. They are also working with several other towns in our area and hence should be motivated to provide good service. SunEdison is a national firm; this proposal has been organized by their Maryland office.
4. Contract Negotiation. The contract under the PowerOptions/SunEdison model is pre-negotiated, which reduces our flexibility but reduces our need for legal staff to review a tailored contract. Working with Broadway will require us to negotiate a contract, which offers flexibility, e.g., getting the developer to pay for technical and legal support for Wayland/owners rep in negotiating the deal. This flexibility will require added effort on the part of Wayland to negotiate the contract, although we will be able to draw upon local expertise (John Harper, Birch Tree Capital; Mike Stati, Keystone Development) and possibly be able to get Broadway to fund this.

¹ http://www.mapc.org/sites/default/files/Memo_MAPC-Regional-Solar-Initiative_Feb2013.pdf

² <http://www.poweroptions.org/programs/Solar-Program.html>