



Municipality of the District of Argyle

Item: East Pubnico – COMFIT
Solar modification and approval

Date: March 29, 2021

VISION

We see Argyle as home to a healthy and thriving rural population. Our municipality promotes and supports economic and social opportunities for the region and engages in the active expression of our unique Acadian heritage. We are a place of choice for rural living and are widely recognized for our warm hospitality and joie de vivre. Surrounded by fresh air and cool ocean breezes, we work and play in the great outdoors. People choose to live in Argyle because of our commitment to each other, to our community and to our neighbors. Argyle is a place we are proud to call home.

Background:

As the attached information suggests, we have successfully modified our location from the Wedgeport location to the East Pubnico location, thanks to the assistance of AREA, the organization responsible to coordinate our applications with NS Power for COMFIT solar revenues.

The COMFIT program opened as a Provincial initiative, where municipalities could apply to sell solar energy to NS Power at a rate established by the applicant. As we were not familiar with this service, regionally, we hired AREA to assist us, as they are in this line of business and very familiar with these projects.

In summary, we already operate two locations, one at our Treatment Plant in West Pubnico, and the other at the West Pubnico Fire Hall. We expect annual net profits on both locations to exceed \$30,000 per year.

The modified project cost, excluding electrical connection costs and fencing, amounts to \$248,700 including our cost of HST. The budget set for this investment was for \$275,000. Annual profit expectations are attached as presented by our advisors, but assume a repayment of investment over a period of time with interest.

In short, we expect an average revenue of \$26,500 per year over 18 years, and an average profit of \$25,400 per year. As we are using Gas tax for the purchase, I am not including any consideration of payback, as we are not paying it back.

This project was approved both at the time of application and again in the capital budget. For existing councilors this project will be familiar.

We are requesting that Council endorse proceeding with a signed contract, and have the project executed in 2021-22 fiscal year.

MGA considerations:

Section 65 does not exclude investment in renewable energy projects, and the amount was budgeted as a municipal capital investment.

CAO's Recommendation:

As this was previously approved, I would recommend endorsement of the contract. The competitive nature of procurement was done by AREA on our behalf. This project will be re-budgeted in the capital budget of 2021-22, as we were unable to complete this project in the current year, due to interconnection issues with NS Power.

Suggested motion:

That the CAO sign the contract with Thermodynamics for the design and installation of the solar panels at the Willett Road Water Tower in East Pubnico.