



Otis voters approve \$6.4 million wind energy project in landslide vote

By Julie Ruth

OTIS – By a vote of 82-13, Otis taxpayers authorized their town to borrow \$6.4 million to construct a 1.7-megawatt wind turbine off Algeria Road, which is intended to power the town's school and municipal buildings, lower resident energy costs and generate revenue for the town by selling excess electricity to other towns and entities.

The approval of the 24-year general obligation bond is contingent on a second taxpayer vote, this one for a Proposition 2 ½ override at a special town meeting on Sept. 8.

"At no time have we ever thought, discussed or planned for the town's taxpayers to pay any part of this," said Larry Gould, chairman of the Otis Energy Committee to a standing-room only audience at Town Hall during an information session before to the special town meeting vote on Tuesday night. "This is a revenue-generating project...We have the ability to sell the power, and bring that revenue back to the community...the bond will be paid back with revenue from the turbine."

The Otis Wind Project will rise 415 feet, about 40 stories high, at 1908 Algeria Road and is expected to generate over six million kilowatts of energy per year, Gould said. The town of Otis, which currently uses 350,000 kilowatts to power the Farmington River Regional School and Otis's municipal buildings, will need only five percent of the turbine's total output.

That means that the town would cover all of its municipal electricity needs with the wind turbine. “Basically, the town and school district would have no electric bill (with the wind energy project),” Gould said, “and between \$85,000 – \$100,000 in our expenses would disappear.”

The town would also have 5 ½ million kilowatt hours available in energy credits to sell to other entities each year. “Selling the credits was not an issue,” said Gould, who explained to the crowd that the town plans to sell its energy credits through the Lower Pioneer Valley Educational Cooperative, which deals with more than 85 towns and school districts in Massachusetts. “They offered to buy every bit of excess that we have,” Gould said. “The demand is that great for other schools and towns that are looking for a way to stabilize their energy costs.”

The town will also form a company, Energy Service Co. (ESCO) that will use revenue from the wind turbine to directly benefit town residents by purchasing energy at wholesale prices. ESCo will then offer residents the chance to purchase electricity at a discount. “You would sign up, and then you would be able to buy power at a discounted rate.”

“I think it’s a no-brainer at this point, at least the way they presented it,” said Otis resident Frank Tolopko, who is familiar with electricity generation terminology from his years working for the New York Power Authority. “It won’t cost the town any money, and it’s clean energy. I just came back from Europe and (wind turbines) are all over the place – Italy, Spain, Germany... I think it’s the wave of the future.”

Some taxpayers, however, told the Record that they were dubious that it would pay for itself, and voted it down because they did not want to fund any more town projects.

“We’ve had so many projects where the taxpayers ended up paying,” said Majda Smith, citing issues with the funding of prior school and sewer projects.

“I’m on a fixed income; I can’t afford this,” said resident John Slakteris. “I’m already paying for a sewer (that’s) costing me \$135 every three months, (when) I had a perfectly brand-new sewer system that had nothing wrong with it.”

Some residents who voted against the project owned property adjacent to the site expressed concerns to Gould about the difficulty conceptualizing the noise level and tower’s height without a test balloon.

“I’m an abutter, and I just felt I didn’t have enough information (to vote for the project),” explained Kathleen Williams, a resident for 42 years who is very much in favor of alternative energy. “If they just had put up a balloon, I would have known how it’s going to affect (my property),” she said.

“I came here prepared to vote yes if I heard something that was reassuring enough,” said another abutter who did not wish to be identified. “But I realized that without first having a test balloon to see where (the tower) would be – and if I can see it or not -- I didn’t have enough information to feel confident that the quality of my life or the value of my property would not be negatively impacted.”

The wind turbine will be constructed on a parcel of land on Algeria Road donated to the town by Otis resident Ed Williams, owner of Williams Stone which already operates a profitable wind turbine which saves the company money each year.

The Otis Wind Project has already gone through several phases. Following a state-funded \$65,000 feasibility study that showed it would be profitable, the Commonwealth awarded the town an additional \$400,000 for design and construction funding.

Then in May the U.S. government approved the town's application for a Clean Renewable Energy Bond (CREB), a federally-backed loan that will subsidize the project by paying 70 percent of the interest on the bond authorized by the town, worth more than \$2 million over the life of the 24-year bond with an interest rate of from 1 to 2 percent for 24 years.

The town will pay the principal and remaining 30 percent of interest at this very low rate, with revenue generated by selling credits for its 5.5 million megawatts in excess production to LVEC.

General Electric will supply the turbine itself, and Gould expects the wind turbine to be operational "about this time next year, if everything moves forward," he told the crowd.