



# PLANNING FOR SOLAR ENERGY PROJECTS

## ISSUE PAPER OVERVIEW

The Tug Hill region has been experiencing an increase in interest from large-scale solar developers. This summary addresses various ways that municipalities can best take advantage of programs geared towards community benefit as well as recommended safety considerations.



SCAN TO READ  
THE FULL PAPER

## BATTERY ENERGY STORAGE SYSTEMS (BESS)

BESS may be co-located with a solar development or standalone projects. Only co-located sites fall under the purview of the Office of Renewable Energy Siting (ORES). Communities where BESS are being proposed may want to add provisions into their zoning laws to address siting and safety concerns. Local recommendations include:

- Specifying zoning districts where BESS may be sited.
- Specifying details such as setbacks and access road maintenance in zoning or development laws.
- Requiring hazardous waste containment.
- Requiring signage with 24-hour contact information.
- Requiring developers to provide emergency response equipment, such as oscillating deck guns, and installation of a dry water pipe in case of fires.
- Requiring annual emergency response training and walkthroughs of the facility, sponsored by the developer, for first responders.

## HOST COMMUNITY BENEFIT PROGRAM

This program requires developers of solar installations with 25 MW of nameplate capacity or higher to contribute \$500/MW to be split amongst residential ratepayers in the community for the first ten years of operation. Bill credits will be provided on a residential utility customer's first electric bill of the calendar year. Developers will fund the bill credits by paying the annual fee of \$500/MW to the electric utility or utilities operating in a Host Community. The electric utility would then distribute the fees paid by the solar development owner as a bill credit to residents in the host community. This program can be used along with other agreements between the developer and the community, such as Host Community Agreements and PILOT's. The Host Community Benefit Program is automatically applied to municipalities through Executive Law § 94-c(5)(f), which requires it as part of a final siting permit.



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## HOST COMMUNITY AGREEMENT (HCA)

HCAs are **legally binding** contracts between developers and host municipalities/local community groups. They may include annual or lump sum payments to the community, often over the course of 20-30 years. They may also include stipulations for developers, such as which companies or regions to give preference to when hiring laborers, or requirements for contributing financially to specific sectors of the community, such as emergency services, workforce development, road maintenance, affordable housing, recreational trails, etc. While HCA's are not legally required, communities are encouraged to take advantage of them. An example of an HCA by the town of Lansing can be found [here](#).

## PAYMENT IN LIEU OF TAXES (PILOT) AGREEMENTS

Negotiating a PILOT agreement is another way for a municipality to receive financial compensation. In order for a municipality to be eligible for a PILOT, they must:

- **Not** be opted out of RPTL§487\*.
- Have received a **written notice** of intent from a solar developer
- **Respond within 60 days** of receiving the written notice, stating that they **require** a PILOT agreement.

Towns, counties, and school districts can choose to join together for a multi-jurisdictional PILOT agreement. Most PILOTs last up to 15 years, to cover the exemption period of RPTL§487. Terms can be negotiated, but often payments are calculated from the project's capacity, and terms of the agreement would include an annual escalation rate, establish whether the agreement can be transferred if ownership changes, and address late payment penalties.

\*RPTL§487 STATES THAT REAL PROPERTY CONTAINING A SOLAR ENERGY DEVELOPMENT IS [EXEMPT](#) FROM TAXATION FOR A PERIOD OF 15 YEARS TO THE EXTENT OF ANY INCREASE IN ASSESSED VALUE DUE TO THE SYSTEM.

## KEY TAKEAWAYS FOR MUNICIPALITIES

- Be proactive - thorough land use laws may allow municipalities to direct development to areas with less of an impact on the community.
- When developing land use laws, consider what would be necessary for locating these projects for aesthetic, conservation, and safety reasons.
- Take advantage of agreements that can be put in place between developers and communities.

