Subject:

Dick Baldner email to the BOD regarding Solar Panels

Following this Introduction is a copy of the email sent to the Board of Directors.

Introduction

At the annual meeting on February 10, 2020, the homeowners voted 216 to 29 to replace the clubhouse roof and install solar panels per the project proposal.

Based on power usage the solar panel system has provided cost savings to ACC of between \$2,200 and \$2,300 per month. After making the loan payment of \$1,764 to Alliance Bank the net savings is approximately \$500 per month.

From: **Dick Baldner** <dick.baldner@gmail.com>

Date: Thu, Oct 17, 2024 at 12:56 PM

Subject: ACC Solar System

To: Rick Wright <<u>Alamocc63@gmail.com</u>>, Neil King <<u>neilking95@gmail.com</u>>, Linda VanRyn <<u>vanryn@yahoo.com</u>>, Patty Whalen <<u>pattywaccbod@gmail.com</u>>, Randy Rawlings <<u>randyrr3bod@gmail.com</u>>, Vicki Violet <<u>vickivioletbod@gmail.com</u>>, Dave Milne <<u>david.l.milne@gmail.com</u>>, Kathleen Hedberg <<u>kathiaccbod@gmail.com</u>>, Jerry Addie <jaddie50@yahoo.com>

Some things that I believe need to be considered in making any decisions on the ACC Solar System.

As I have noted several times, ACC does not actually own the solar panels at this time. The panels are owned by another company that was able to get the Federal tax credits, which they then split with ACC. There is a detailed contract in place defining this situation. The Contract is called a Solar Power Purchase Agreement (SPPA). Basically, we are leasing space on our clubhouse roof to the owners of the solar panels. They are paying us for the space with the electrical energy generated. This is a very detailed 30+ page contract, and I would believe before we do anything we would need to get a legal opinion on what we can and cannot do. Some things to consider:

- We cannot take the panels down. I believe we would need to tell the panel owner to remove their panels from our roof. This would likely void the contract, and they may have legal recourse. I have been told that the cost to simply remove the panels from the club house roof would be on the order of \$200 per panel. We had 312 panels on the roof. So, the cost for just removal, not counting storage space, storage pallets, etc., would be on the order of \$60,000. A significant expense.
- We still have a loan for the solar system. This is independent of the SPPA and we
 would still be responsible for it. We cannot sell the panels to try and recoup some
 of the money, since we do not own the panels.

Regarding the fire. From my limited research, solar fires are very rare. You would think then that two fires would be extremely rare. However, we had 1 fire, then a serious fault and then a second fire! This then says we have a very serious <u>faulty hardware</u> issue, and a fire could likely happen again if the problem is not addressed. We need to identify the exact cause of the fire, and then our insurance company, and/or ACC, likely needs to go after the hardware supplier for damages. (One possible Option)

Per the ACC solar contractor, Star Alt, they are 99.9% sure the problem is with the RSUs (Rapid Shut off Units). During our recent fault/shut down they discovered and replaced two <u>badly burned</u> RSUs! The RSUs were originally an added code mandated requirement to improve safety. However, the RSUs are causing many more problems than they are helping. They have since changed the code to allow you to remove the RSUs. It only requires the inverters to be located within two feet of the panels. Per Star Alt, this could easily be done. Once the RSUs are removed, Star Alt believes we would have a very safe system, and the likelihood of another fire would be extremely low. This opinion should be verified by at least one other solar system expert.

I do not believe the solar panels currently are any danger if they are not "on line" and not producing electricity. There should be no danger in leaving the panels in place on the clubhouse roof until it is decided what can and should be done. Again, the safety of leaving the panels in place should be verified with Star Alt and/or other solar experts.

One more thing. The original SPPA was with Britestreet (Alamo Country Club Solar, LLC) and they then reassigned it to Y-Energy and then Y-Energy reassigned it to MMW Consulting, who I believe is now the actual owner. However, I believe Y-Energy is still our main point of contact. It is very convoluted!

Respectfully submitted.

Dick Baldner Lot 221