

# **Cost-Benefit Analysis for Amherst Community Solar - Catalyze**

Prepared by this agency using InformAnalytics

# Executive Summary

INVESTOR  
**Amherst Community Solar, LLC**

TOTAL INVESTED  
**\$8.6 Million**

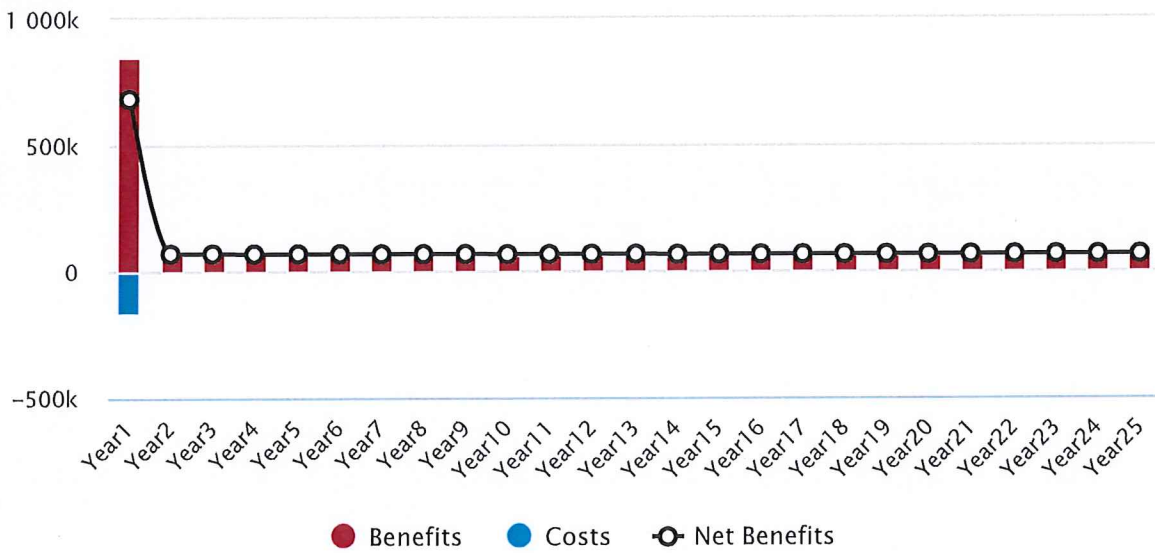
LOCATION  
**595 Schoelles**

TIMELINE  
**25 Years**

F1 FIGURE 1

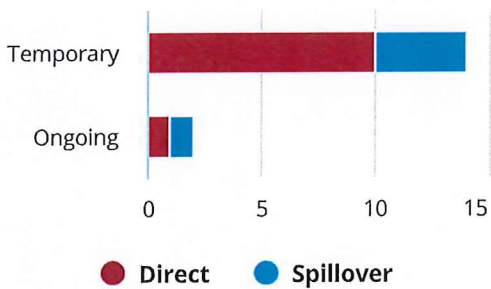
Discounted\* Net Benefits for Amherst Community Solar - Catalyze by Year

Total Net Benefits: \$2,295,000



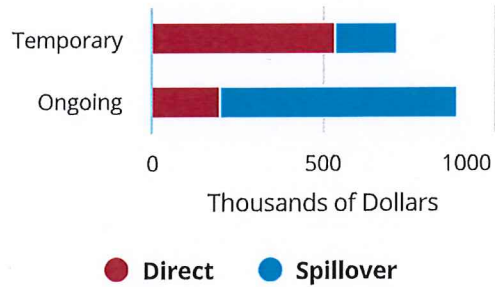
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



# Proposed Investment

Amherst Community Solar, LLC proposes to invest \$8.6 million at 595 Schoelles over 25 years. Agency staff summarize the proposed with the following: Amherst Community Solar, LLC is seeking to install and operate a 5 MW ground mount community solar farm on approximately 22 acres of leased land at 595 Schoelles Road. The renewable electricity generated by the system is fed directly into the local utility distribution system, where it can then be purchased by area homes and businesses as credits against their electricity bill.

T1 TABLE 1

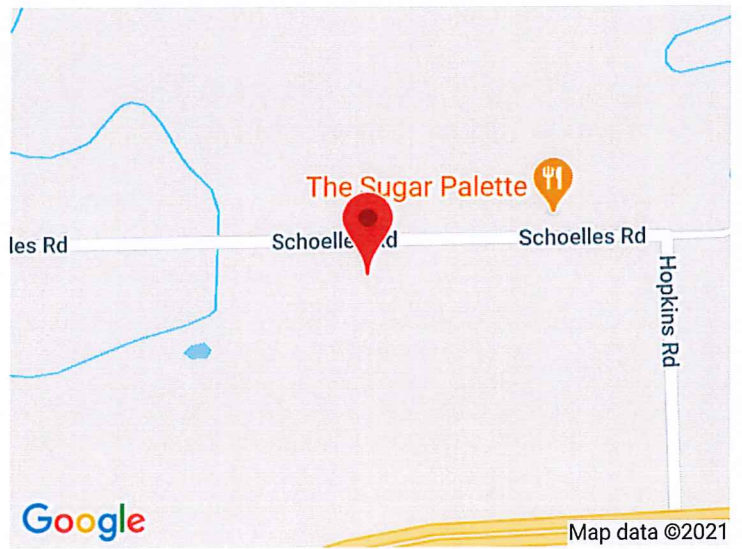
## Proposed Investments

Description	Amount
<b>CONSTRUCTION SPENDING</b>	
Solar Development	\$1,394,000
<b>OTHER SPENDING</b>	
Soft Costs	\$148,000
Land Lease	\$368,000
Solar Equipment	\$6,658,000
<b>Total Investments</b>	<b>\$8,568,000</b>
<b>Discounted Total (2%)</b>	<b>\$8,568,000</b>

May not sum to total due to rounding.

F4 FIGURE 4

## Location of Investment



# Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by the agency. The report calculates the costs and benefits for specified local taxing districts over the first 25 years, with future returns discounted at a 2% rate.

T2 TABLE 2

## Estimated Costs or Incentives

The agency is considering the following incentive package for Amherst Community Solar, LLC.

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$167,000	\$167,000
<b>Total Costs</b>	<b>\$167,000</b>	<b>\$167,000</b>

**May not sum to total due to rounding.**

\* Discounted at 2%

T3 TABLE 3

**State & Regional Impact (Life of Project)**

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
<b>REGIONAL BENEFITS</b>	<b>\$1,520,000</b>	<b>\$1,080,000</b>	<b>\$2,599,000</b>
<b>To Private Individuals</b>	<b>\$786,000</b>	<b>\$1,062,000</b>	<b>\$1,848,000</b>
Temporary Payroll	\$536,000	\$186,000	\$722,000
Ongoing Payroll	\$250,000	\$876,000	\$1,126,000
<b>To the Public</b>	<b>\$734,000</b>	<b>\$18,000</b>	<b>\$752,000</b>
Property Tax Revenue	\$721,000	N/A	\$721,000
Temporary Sales Tax Revenue	\$9,000	\$3,000	\$12,000
Ongoing Sales Tax Revenue	\$4,000	\$15,000	\$19,000
<b>STATE BENEFITS</b>	<b>\$41,000</b>	<b>\$67,000</b>	<b>\$109,000</b>
<b>To the Public</b>	<b>\$41,000</b>	<b>\$67,000</b>	<b>\$109,000</b>
Temporary Income Tax Revenue	\$26,000	\$9,000	\$35,000
Ongoing Income Tax Revenue	\$4,000	\$43,000	\$48,000
Temporary Sales Tax Revenue	\$8,000	\$3,000	\$10,000
Ongoing Sales Tax Revenue	\$4,000	\$12,000	\$16,000
<b>Total Benefits to State &amp; Region</b>	<b>\$1,561,000</b>	<b>\$1,147,000</b>	<b>\$2,708,000</b>
<b>Discounted Total Benefits (2%)</b>	<b>\$1,508,000</b>	<b>\$955,000</b>	<b>\$2,462,000</b>

May not sum to total due to rounding.

T4 TABLE 4

**Benefit to Cost Ratio**

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$2,366,000	\$91,000	26:1
State	\$96,000	\$76,000	1:1
<b>Grand Total</b>	<b>\$2,462,000</b>	<b>\$167,000</b>	<b>15:1</b>

**May not sum to total due to rounding.**

\* Discounted at 2%

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