

Date: May 29, 2024

To: Sussex County Board of Supervisors

Subject: Public Hearing – Proposed Siting Agreement - Blackwater Solar, LLC

Background: Public Hearing to be held to receive citizen comments on a proposed Siting Agreement between Sussex County and Blackwater Solar, LLC.

Siting agreements enable localities to negotiate a wide range of terms and conditions with the applicant proposing to construct a solar energy (or battery storage) project greater than 5 MWac in power generation. Terms and conditions of the siting agreement may include, but are not limited to: (i) mitigation of any impacts of such solar project or energy storage project; (ii) financial compensation to the host locality to address capital needs set out in the (a) capital improvement plan adopted by the host locality, (b) current fiscal budget of the host locality, or (c) fiscal fund balance policy adopted by the host locality; or (iii) assistance by the applicant in the deployment of broadband, as defined in § 56-585.1:9, in such locality.

The proposed agreement with Blackwater Solar, LLC is attached. It is estimated to be a 600 MWac for the Solar Facility and 400 MWac for the Battery Energy Storage Facility. Blackwater Solar proposes to make a one-time payment of \$900,000 to the County for the solar facility and an additional \$100,000 related to the battery storage facility, within 90 days of approval of the project zoning application and conditional use permit. Blackwater Solar has also agreed to initial milestone payments prior to beginning commercial operation. Thereafter, Blackwater Solar has agreed to make annual payments for the anticipated 35-year operational life of the project. Total projected Siting Agreement payments are \$56,344,324. All projected Siting Agreement Revenues are shown in detail on the Agreement Exhibit. Such payments are in addition to real estate and machinery and tools taxes, and all other applicable local fees or taxes. Including taxes, the projected revenue for the county over the 35-year period is approximately \$191,921,657.

Attachment:

Draft Siting Agreement