**FAQs regarding BIPCo purchase**

The following was sent in from Town Hall:

The Town has begun disseminating information regarding the potential purchase of the Block Island Power Co., utilizing www.new-shoreham.com and a newly created Facebook page (Buying BIPCo-a decision for Block Island Residents). The Environmental I Assessment, a valuation, and an overall assessment of the assets of BIPCo are underway; all of these reports will be in hand in the coming weeks and available for public review. In the meantime, the Town Council welcomes any and all comments and questions that the community has. Below are some of the most frequently asked questions. Find more Q&As as well as a schedule of discussion forums and information sessions at the websites listed above.

**What is the proposal?**

The Town will purchase a two-thirds majority interest in BIPCo and convert it to a nonprofit organization with professional management and a Board of Directors elected by the ratepayers. At the current time, only two of the three owners have expressed willingness to sell to the Town. While this makes the process somewhat more complicated, it does not change the underlying concept and approach.

**Why should the Town purchase BIPCo?**

BIPCo provides a service that is essential to the community. The decisions made by BIPCo on how, when, and in what to invest affect the price and availability of electricity on Block Island. The Town Council and the Electric Utility Task Group have unanimously recommended pursuing the purchase of BIPCo so that the community controls those operating and investment decisions. In addition, community, nonprofit ownership is the only way to begin to lower or slow the increase in BIPCo’s costs and rates.

**Is the price fair?**

The price of $1.8 million for two-thirds ownership was arrived at through negotiation between the Town and the selling shareholders. The EUTG has reviewed BIPCo’s costs and has determined that, at the agreed-on price, acquisition costs will be covered by savings from not paying dividends, management bonuses or earning a profit. An independent valuation analysis is underway and will be available before Sept. 1.

**How will BIPCo be run?**

The ultimate decisions on how BIPCo will be run will rest with the ratepayers and the new organization. The expectation is to have a Board of Directors elected by ratepayers and for BIPCo to hire a new President with experience in power purchasing and utility operations. There is no plan for BIPCo to be a department of the Town.