

Delaware  
Sustainable  
Energy Utility



# 2019 Delaware SREC Procurement Program

# Agenda

- **Program Overview**
- **Changes from 2018 Program**
- **Sample Facility Application**
- **Questions and Answers  
(chat feature only)**

# Program Overview

# General Overview

## **Contract Commences with July 2019 SRECs**

- SRECs created before July 1, 2019 are not eligible for the Program
- If you win a place in the program you must end contracts with other aggregators prior to the creation of July 2019 SRECs

## **Bid Based Applications**

- No administratively set pricing
- Competitively bid contracts- lowest prices will be accepted

## **Contracts = 20 years**

- 10 years @ accepted bid price (plus DE parts/ labor bonus)
- 10 years @ the lower of the bid price or \$20

## **Bidding Tiers**

- Solicitation broken into tiers based on facility size, interconnection date, ownership structure, and system location.
- 2019 Program will have 5 tiers.

# Basic Requirements

- **Projects must have or be eligible for DE certification**
  - Applicants are responsible for obtaining DE certification #s
- **Projects must be operational within 12 months of contract award date**
- **Revenue grade meters/inverters = required**

# Delaware Parts and Labor

- **Delaware Certification = DE-#####-SUN-01-PW-##**
- **Eligibility determined by the Delaware PSC**
- **Double-check your certification before applying**
- **10% parts and 10% labor bonus applies for payments only**

**Example:** Successful bid at \$100/SREC, but with both DE parts and labor associated with the certification number , the applicant is paid \$120/SREC

- **Contract award preference for DE parts and labor only for resolving bid ties**
- **Example:** Last 2 bidders, Bidder A bids \$101 with DE parts and labor. Bidder B bids \$100 with DE labor only. Bidder B would win based on bid price. Bidder B would receive \$110/SREC for the first 10 years because of 10% DE labor bonus.

# Bid Deposits

- **Required if system does not yet have DE certification**
- **= \$100/kW of nameplate capacity**
- **Rounded using standard rounding rules**

**Example:** 4.3 kW system = \$400 owed for bid deposit

- **Bid deposit returned if application NOT successful OR once facility provides DE certification**
- **Bid deposit forfeited if you have a successful application but do not follow through with the contract**

# Performance Credit Support

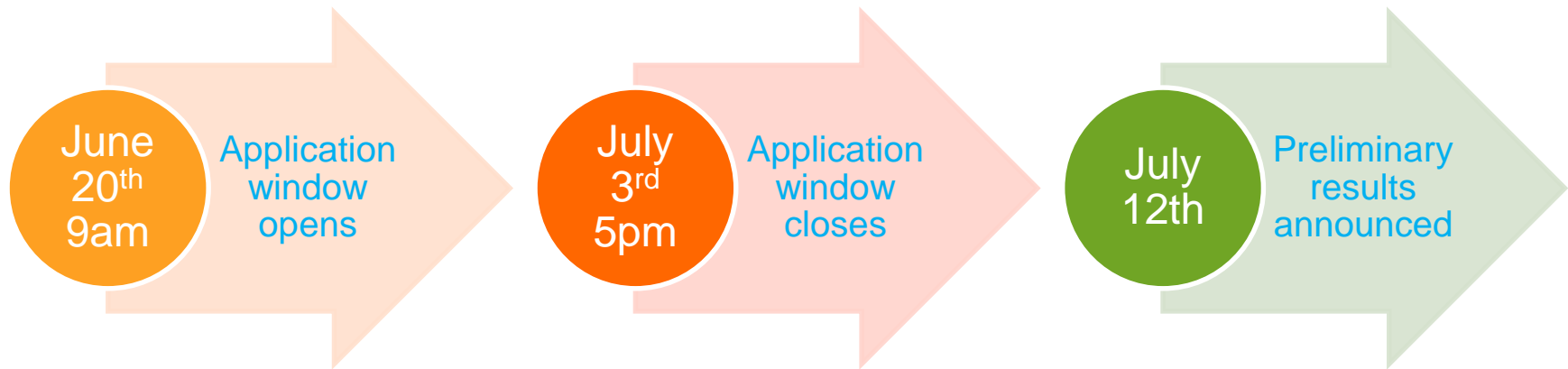
## Only applies to projects > 500 kW

- Required to secure the obligation to deliver the minimum annual quantity
- Can be provided to SEU by cash, letter of credit, or other forms of collateral acceptable to SEU

## Performance Guarantee

- Years 1-10 = 5% of value of annual SREC commitment
- Years 11-20 = 10% of value of annual SREC commitment

# Timeline



Once the final results are announced, winning applicants will be sent further instructions on how to manage their contracts.

# Tiers

N = “New” (Projects interconnected on or after June 9th, 2017)

Tier	Nameplate rating (DC at STC)	# SRECs/Year
1	≤ 50 kW (Customer-Owned)	4,400
2	50 kW < 500 kW	2,300
3	500 kW < 2 MW	3,300
4	>2 MW & new leased systems < 50kW	5,000
5	All existing DE sited systems and any qualifying out of state systems	0-5,000*

\*Tier 1 systems are considered “New” for bidding purposes if they have not yet been built or have an Interconnection Approval To Operate date later than June 9, 2017. All systems larger than 50 kW are considered “New” if they have not yet been built or have an Interconnection Approval To Operate date later than August 4, 2018 (tiers 2-4).

# Tiers

- Customer-Owned (Tier 1): Owner must own both the solar array and the property where the system is located to qualify as Customer-Owned
- Tiers 1-4 must be in-state
- In-State: Delaware sited
- Out-of-State: Sited in any state other than Delaware
  
- Minimum of 15,000 SRECs procured
- Maximum of 20,000 SRECs procured

# Award Process

July 3rd

- Last day to submit applications.

Auction  
Step 1

- Computer sorts lowest priced bids in each tier

Auction  
Step 2

- Within the capacity of each tier lowest priced bids awarded contracts.

July 12<sup>th</sup>

- Preliminary results announced

# Award Process – Tie Scenario

***Tie Scenario = the event in which multiple bids at the same price oversubscribe a tier***

***(Hint: bids in dollars and cents allowed)***

Step 1

- Systems with DE Labor & Equipment selected. If tie remains, winner determined by lottery among DE labor & Equipment systems only.

Step 2

- If capacity remains, remaining projects given 5 days to submit revised bid. Winners selected by lowest price revised bid.

Step 3

- If tie remains with revised bids, lottery conducted among DE labor or equipment systems, then if capacity remains lottery conducted among systems with neither DE labor or equipment.

1. Notwithstanding the above, if there is a Bidding Tie in the combined Tier 5. New systems prevail over existing system
2. In-state content and labor prevails
3. If a tie remains, there will be a rebid

# One Contract – Multiple Facilities

Applicants must aggregate facilities together under one contract if they:

1. Are on the same parcel of land OR
2. Share a utility interconnection point
3. Exception is partial fills from previous solicitations.

# Owner Representatives

- All SREC owners may submit bids and manage SREC contracts on their own.
- SREC owners may utilize the services of 3<sup>rd</sup> party Owner Representatives to manage their applications and SREC contracts.
- SREC owners can change or remove Owner Representative oversight at any time.

# Other Important Notes

- Delmarva has the right to exercise price discretion and reject bids
- Bids above the Alternative Compliance Price of \$400 will be automatically rejected
- Diversity of Ownership in Tier 2: The SEU will not award more than 50% of SRECs in Tier 2 to a single owner unless Tier 2 is undersubscribed due to that limitation
- Last ten years of contract bid price remains at \$20

# Changes from 2018 Program

# Changes from 2018

- The number of Tiers were reduced for simplification.
- Tier 1 systems are considered “New” for bidding purposes if they have not yet been built or have an Interconnection Approval To Operate date later than June 9, 2017. All systems larger than 50 kW are considered “New” if they have not yet been built or have an Interconnection Approval To Operate date later than August 4, 2018.

# Changes from 2018

- Tier 2 can use any financing model. In Tier 2, no one owner can take more than 50% of the SRECs, unless that Tier is undersubscribed. Then they could take the undersubscribed portion once other bids are filled.
- Tier 3 is all new systems above 500 kW to 2 MW, all financing/ownership models allowed.

# Application Example

# Application Overview

- **Application window:**

**Thursday 6/20, 9am ET –Wednesday, 7/03, 5 pm ET**

- **All applications must be submitted online**
- **Facility information from previous unsuccessful applications is stored in the system**
- **One application per facility**
- **Applications can be saved and returned to before final submission**
- **Applications can be submitted by facility owner or an owner representative**

# Getting Started

## SRECDelaware Program

SOLAR RENEWABLE ENERGY CERTIFICATE PROCUREMENT

Search...

Home

2018 SREC Procurement Program

Yearly Solicitations

FAQ

Contact

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### User Registration

#### Your Login

Email REQUIRED

Password REQUIRED

Confirm Password REQUIRED

#### Your Information

First Name REQUIRED

Last Name REQUIRED

#### Your Address

Company Name

Street REQUIRED

Apartment or Suite

City REQUIRED

State REQUIRED

-- Select One --

Zip REQUIRED

Phone REQUIRED

#### Create account!

Create Account

Cancel

# New (and old) Applications

SRECDelaware Applications Contracts Transactions Information Welcome Kevin

## Hello Kevin.

This is your application dashboard. Use this area to create and manage your solicitation applications.

[New Application](#)

My Applications My Contracts My Transactions Spot Auction

The following applications are for the **May 2014 solicitation** only. Manage your accepted applications under My Applications.

Facility	Solicitation	Bid Application	Transfer Agreement
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- Click New Application
- Unsuccessful Applications from previous solicitations can then also be re-entered

SRECDelaware Applications Contracts Transactions Information Welcome Kevin

## What are you applying with?

### You have 3 existing facilities

Do you want to use one of your 3 existing facilities or apply with a new facility for the first time?

**1 Use an Existing Facility**

Facility	Contract	Estimated SRECs per Year
System 2 - <a href="#">apply with this facility »</a> <i>22 Oak Lane, Dover</i>	None	46
Dewey Power Station 1 <a href="#">apply with this facility »</a> <i>35 Gary Drive, Dewey Beach</i>	None	1874
Kevins Home <a href="#">apply with this facility »</a> <i>1745 Hal Drive, Dewey Beach</i>	None	123

**2 Create a New Facility**

Start the first application for your facility

[Create a new facility and apply](#) [Cancel](#)

- Contact Customer Service if you are applying for a system that another party previously submitted an application for on your behalf

# Step #1 – Facility Info

## Description of Facility

Facility name **REQUIRED**

A personalized name for your facility, for example "My Roof"

## Solar Facility Location

[Use my contact information »](#)

Street **REQUIRED**

Apartment or Suite

City **REQUIRED**

County **REQUIRED**

State **REQUIRED**

Zip **REQUIRED**

## Solar Array Information

Module Type (make and model) **REQUIRED**

Inverter Type (make and model) **REQUIRED**

Number of Arrays **REQUIRED**

### Details for 1st Array

Number of Modules **REQUIRED**

Module Power Rating **REQUIRED**

DC Watts at STC

System Tilt (degrees) **REQUIRED**

Typically 0-90 degrees

System Azimuth (degrees) **REQUIRED**

Where 180 degrees is south-facing

Mounting Location **REQUIRED**

Meter Type **REQUIRED**

This is in addition to your utility installed meter. Existing systems will be given until September 1, 2018 to have one installed

Is your system leased or under a power purchase agreement? **REQUIRED**

Does this facility have online monitoring that tracks its production? **REQUIRED**

- Yes, this facility has (or will have) online monitoring  
 No, this facility does not (or will not have) online monitoring

Interconnecting Utility **REQUIRED**

Has this facility received final interconnection approval from the utility? **REQUIRED**

Facility has a DE State Certification Number **REQUIRED**

# Step #2 – Owner Contact Info

## Owner Contact Information

The designated owner must be the legal entity that owns, leases, controls or is the direct assignee of all the SRECs created by the Facilities described in this application.

[Use my contact information »](#)

Name REQUIRED

Company Name

Street REQUIRED

Apartment or Suite

City REQUIRED

State REQUIRED

Zip REQUIRED

Phone REQUIRED

Enter 123-123-1234 with no extensions allowed

Email REQUIRED

## About Step 2

This step registers the primary legal Owner of the SRECs produced by this solar facility.

### Definitions

#### Company Name

Only if applicable. For residential solar facilities, simply leave blank.

### Contact Us

Tel	(877) 466-3405
Email	customerservice@srecdelaware.com

# Step #3 – Owner Representative

## Owner Representative

Owner Representative contact information will be publicly available.

[I will manage my own facility. Skip this step](#)

Or choose an Owner Representative by selecting an option from below:

- Select an Owner Representative from a list
- Restricted - I am an Owner Representative, use my contact information
- Enter an Owner Representative manually

[Save and Continue](#)

[Exit](#)

## About Step 3

This step defines the Owner Representative managing this facility (correspondence, updating facility information, bank details) during the contract for SRECs produced.

An Owner Representative's contact information may be used publicly within this solicitation to facilitate the successful linking of Owners to their Owner Representative.

## Contact Us

Tel	(877) 466-4606 x9
Email	<a href="mailto:srecdelaware@sretrade.com">srecdelaware@sretrade.com</a>

Owner Representatives are not required to complete the application

# Step #4 – Bid Price/ SREC Obligation

## Bid Application

### Tier Selection

Tier Selection (select one) **REQUIRED**

-- specify one --

Tier eligibility is based on your facility's application details from Step 1

- Your system size: 150.00 kW
- Your interconnection: 2014-07-08 classified as Existing (E)
- Your location: In-state
- Your ownership: Customer-Owned

- Bids can be any number
- Lowest priced bids win
- Projects compete within each tier

### Bid Price

Price bid (\$ per SREC) **REQUIRED**

Enter only numbers, leaving off the dollar (\$) sign. For example 250.00

## “SREC Commitment”

How many SRECs a facility is able to commit to a contract

### SREC Commitment

PVWatts estimates your system's first-year energy output as 202.847 MWh and first-year SREC output as 203. Please review and adjust your SREC commitment if needed.

Total First-year Energy Output (MWh) **REQUIRED**

The systems total energy output in, regardless of the number of contracts

SREC Commitment to this Solicitation **REQUIRED**

This is the number of SRECs you will be contracted to provide to fulfill this contract, where 1 SREC is 1,000kWhs

- Payment for up to 110% of commitment
- Projects > 500 kW pay damages for creating less than 80% of commitment

# Step # 4 – Parts and Labor Bonus

Applications that specify DE parts and/or labor in this step are obligated to provide SRECs that have a DE parts or labor designation. Failure to comply will result in cancellation of contract.

Existing Systems can check their Delaware Certification number:

DE-#####-SUN-01-PW= Parts and Labor

DE-#####-SUN-01-0W= Labor Only

DE-#####-SUN-01-P0= Parts Only **Parts and Labor Bonus**

DE-#####-SUN-01-00= Neither

Please note that you will be contractually obliged to build a system that meets the criteria for any option selected below.

## Eligibility for Delaware Equipment Bonus (check if applicable)

**Note:** Motech has ceased building solar panels in Delaware. As a result, it will only be possible for a system to qualify for the Delaware Equipment Bonus if you have an existing Delaware Equipment Certified system or you have stockpiled Motech solar panels previously built in Delaware. Do not check this box unless one of these two situations applies to your system!

The Project is sited in the State of Delaware and a minimum of 50% of the total cost of renewable energy equipment, inclusive of mounting components, is manufactured in Delaware

## Eligibility for Delaware Workforce Bonus (check if applicable)

The Project is sited in the State of Delaware and is or will be constructed and/or installed either with a workforce at least 75% of whom are Delaware residents or by a company that employs at least 75% Delaware residents

# Step #5 – Bid Deposit (if required)

Required for applications lacking a DE Cert. #

= \$100/ kW

## Bid deposit required

Systems that have not yet received their DE state certification need to pay a bid deposit.

Funds need to be **received before** the end of the solicitation for an application to be valid. Deposits are returned if the **application is unsuccessful** or when a DE certificate is **provided and verified** by the SRECDelaware Program.

Your bid deposit amount is **\$400.00**.

You have **four options** for paying, please **select one** and complete the required fields.

**Example:** 4.3 kW system owes \$400 bid deposit

Bid deposit returned if application NOT successful OR once facility obtains DE certification

### 1 Credit Card

- Instant payment
- Completed online
- All card payments incur a 2.9% + 30¢ fee
- You must provide a bank account for returning your deposit. Deposit is not returned to your card.

### 2 Electronic Wire

- Instant payment
- Initiated from your bank
- Fees vary, usually incurs a fee of around \$20-30
- You must provide a bank account for returning your deposit

### 3 ACH Payment

- Takes 3-5 business. Must be received by the bid application closing date
- Usually a free service
- Not offered by all banks
- You must provide a bank account for returning your deposit

### 4 Letter of Credit

Do you have a Letter of Credit or AIA Bid Bond?  
You can upload it and waive the requirement to transfer any funds.

Note: \$10,000 limit on bid deposits paid by credit card

# Step # 5 – Bid Deposit (continued)

## 2 Electronic Wire

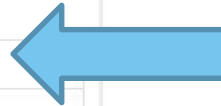
Wire and ACH deposits (excluding any fees) will be returned to the bank information in "Returning Your Bid Deposit".

Please use the unique **Transfer Identification** below when sending your Bid Deposit. Submitting a wire without this number may prevent us verifying your deposit and could result in your application not being processed for this solicitation

**Want to avoid multiple wire fees?** Owner representatives submitting multiple applications may submit a single bid deposit using any of the **transfer identification** codes assigned, however you must send an email to [customerservice@srecdelaware.com](mailto:customerservice@srecdelaware.com) with a complete list of the **transfer identifications** covered by that bid deposit

### Information for sending the wire transfer

Transfer Identification	DEP-BID729-2597-25-591b5
Deposit Required	\$2,000.00
Bank Name	PNC
Receiving Account Name	InClime, Inc.
Account Number	5328291991
Routing Number	031000053



Transfer Identification # used to track payments

For wire and ACH payments put this Transfer Identification into your wire or ACH at your bank

Bid deposit return information now required for wire, ACH, and credit card.

### Returning Bid Deposits

You do not need to provide this information if you upload a Letter of Credit or Bid Bond. You DO need to provide this information if you paid by credit card, wire, or ACH

#### Bank Name REQUIRED

#### Account Name REQUIRED

#### Account Type (check one) REQUIRED

#### Routing Number REQUIRED

#### Account Number REQUIRED

#### Alias

Personalized name for this account, for example "My savings account"

# Finally – Sign and Save!

## Terms and Conditions

THE UNDERSIGNED HEREBY CERTIFIES THAT: (A) IT IS THE OWNER IDENTIFIED HEREIN; (B) THIS IS THE ONLY APPLICATION BEING SUBMITTED PURSUANT TO THE 2018 SREC PROCUREMENT PROGRAM THAT INCLUDES THE PROJECT DESCRIBED HEREIN; AND (C) THE INFORMATION SET FORTH IN THIS APPLICATION IS TRUE, ACCURATE AND COMPLETE.

THE UNDERSIGNED HEREBY ACKNOWLEDGES THAT BY SUBMITTING THE PRICE BID OF \$50.00: (A) THE APPLICATION WILL BE EVALUATED ON A COMPETITIVE BASIS WITH OTHER PRICE BIDS (B) THE PURCHASE PRICE FOR PROJECT SRECS CREATED DURING CONTRACT YEARS 1 THROUGH 10 WILL BE THE BID PRICE SET FORTH IN THE APPLICATION SUBMITTED FOR SUCH PROJECT, AS SUCH BID PRICE MAY BE AMENDED PURSUANT TO THE RULES ESTABLISHED BY THE SEU (C) FOR ALL PROJECTS EXCEPT TIER N-4 AND E-3 PROJECTS, THE PURCHASE PRICE FOR PROJECT SRECS CREATED DURING CONTRACT YEARS 11 THROUGH 20 SHALL BE \$35 PER SREC. FOR TIER N-4 AND E-3 PROJECTS, THE PURCHASE PRICE DURING CONTRACT YEARS 11 THROUGH 20 SHALL BE THE LOWER OF THE PRICE BID OR \$35 PER SREC.

THE UNDERSIGNED HEREBY ACKNOWLEDGES THAT IF THE TRANSFER AGREEMENT IS NOT EXECUTED UPON BID ACCEPTANCE, THE RIGHT TO PARTICIPATE IN FUTURE BID SOLICITATIONS IS FORFEITED.

Please type your full name below to indicate that you accept

Sign REQUIRED

Save and Submit

Exit

## Congratulations!

You have successfully submitted an application to the June 2016 solicitation.

Your application will now be verified for eligibility in the solicitation. If more information is needed we will contact you. Once the solicitation closes, the tiers are filled according to the solicitation rules and winners notified.

[Go to my dashboard](#)

# Dashboard

Multiple applications for multiple systems can be managed from your dashboard

**Hello Lauren.**  
This is your application dashboard. Use this area to create and manage your solicitation applications.

[New and Existing Applications](#)

My Applications   My Contracts   My Transactions

The following applications are for the **June 2017 solicitation** only. Manage your accepted applications under the [My Contracts tab](#) »

Facility	Solicitation	Bid Application	Transfer Agreement	Meter Picture	Status
First Test	June 2017 E-3	<div style="background-color: #0070c0; color: white; padding: 2px;">99%</div> Step 5 of 5	<i>not required</i>	<i>not required yet</i>	<a href="#">Continue »</a>

The application dashboard will only show applications from the 2019 SREC Program.

# Next Steps...

- Transfer Agreement and other documents need to be signed and returned by September 1, 2019
- Any contract with any other SREC broker/aggregator must be terminated
- Your system will be managed in the GATS account of the SRECDelaware Program
- Monthly meter readings will be entered on the SRECDelaware website
- SREC payments will be made monthly by direct deposit

# Questions and Answers

In order to address questions in an efficient manner, we have activated the chat function on the screen.

The webinar has been recorded and will be posted online

877-466-3405  
customerservice@srecdelaware.com

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**InClima**

**Thank you!**

**877-466-3405**

**[customerservice@srecdelaware.com](mailto:customerservice@srecdelaware.com)**