



2023 Procurement



Agenda

- Solar Renewable Energy Credits (SRECs)
- Program Overview
- 2023 Procurement
- Program Requirements
- Application Example
- Questions & Answers

Solar Renewable Energy Credits (SRECs)

Solar Renewable Energy Credits (SRECs)

- Renewable Energy Credits (RECs) represent the environmental value of renewable energy
 - Example: reduced greenhouse gas emissions, reduced water usage, reduced pollution, etc.
- RECs can be bought and sold
- RECs allow for an accounting of renewable energy production
- SRECs are RECs produced by solar facilities

Solar Renewable Energy Credits (SRECs)

- 1 SREC = 1,000 kWh of solar production
 - SRECs are created when your system produces solar electricity,
 - SRECS are separate from the actual electricity
- A typical residential solar facility generates 7-12 SRECs / year
- Many states require that electric utilities purchase SRECs in order to meet the state's renewable energy goals
 - Delmarva Power is required to purchase SRECs
- SREC Delaware is one option to sell the SRECs generated by your system

Program Overview



General Overview

- The State of Delaware established the SREC Delaware Procurement Program in 2011.
- SREC Delaware procures SRECs for Delmarva Power so they can meet their requirements under the Delaware Renewable Portfolio Standard.
- Each year a competitive procurement is held, and eligible projects can bid into the program.

General Overview

- Bid Based Applications
 - Competitively bid contracts- lowest prices will be accepted
- Contracts = 25 years
 - First 10 years @ accepted bid price (plus DE parts / labor bonus)
 - Final 15 years @ \$10 / SREC (plus DE parts / labor bonus)
- Pay-as-you go:
 - SRECs are purchased as they are generated.
 - If your application is successful, you will need to enter solar meter readings to receive payment for your SRECs.
 - Recommended to enter meter readings at least a few time a year.

Delaware Certification

- Your system needs to receive a Delaware Certification number before it can start creating SRECs.
 - Delaware Certification confirms that a system meets the requirements to generate SRECs that can be sold in Delaware.
- Application must be submitted to the Delaware Public Service Commission (DE PSC).
 - Your solar company may have already registered your system
 - See our [FAQ](#) on applying for Delaware Certification for more information.

Delaware Parts and Labor Bonuses

- Bonuses available for systems that use DE labor, or have DE manufactured solar panels
- Eligibility for bonuses is confirmed by the Delaware Public Service Commission
- 10% parts and 10% labor bonuses apply to payments only
 - Example: Successful bid at \$30/SREC, with DE labor associated with the certification number, is paid \$33/SREC for first 10 years
- Contract award preference for DE parts and labor in the event of a bid tie

Owner Representatives

- Bids can be submitted by the owner of the system, or by an Owner Representative.
- SREC owners or Owner Representatives can manage successful SREC contracts.
- SREC owners can change or remove Owner Representative oversight at any time.
- Some solar installation companies serve as owner representatives & submit customer applications, others require that customers submit their own applications.

2023 Procurement



Timeline



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

Tiers

Minimum of 11,000 SRECs procured - Maximum of 25,000 SRECs procured

Tier	Nameplate rating (DC at STC)	Description	#SRECs / Year
Alpha	≤ 350 kW	Customer owned, new, in state	6,000
Beta	350 kW ≤ 2 MW	New, in state	5,000
Gamma	< 5 MW	<ul style="list-style-type: none">In state customer owned systems with 3rd party SREC ownership<ul style="list-style-type: none">All existing systemsQualifying out of state systems	14,000

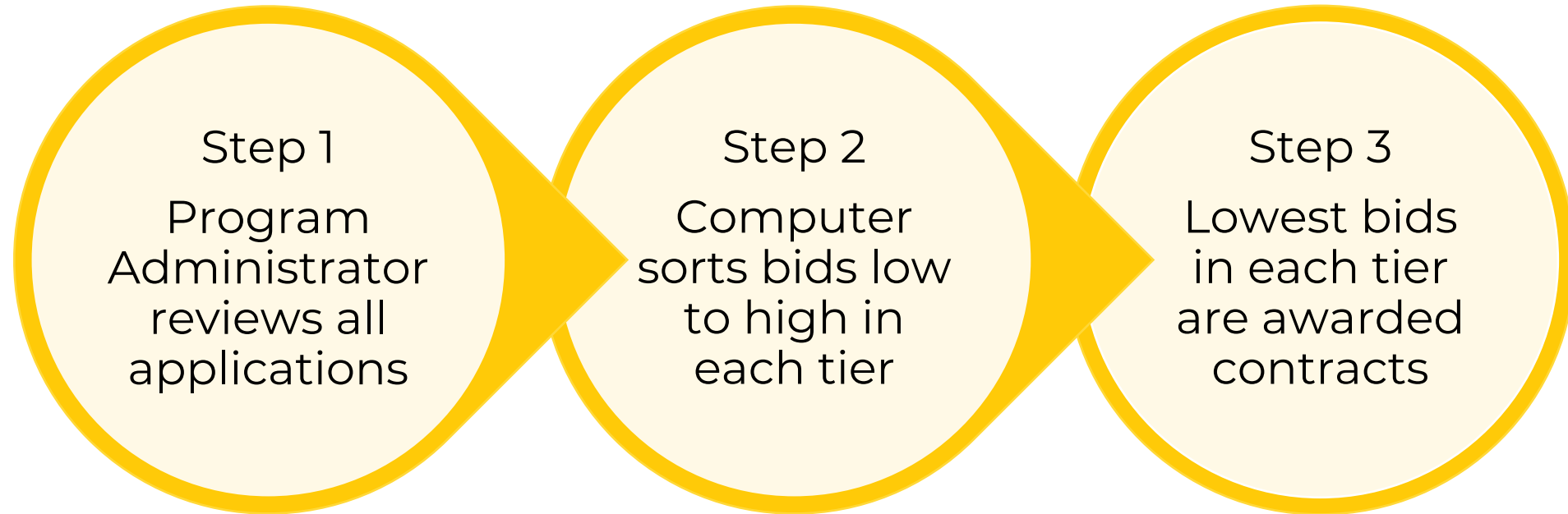
Alpha Tier: customer must own solar array, property where system is located, and SRECs

New: systems with Interconnection Approval To Operate date of October 14, 2022, or later.

Bid Prices

- Bid price is the \$ / SREC you would accept as payment
 - In 2022 the average accepted bid price was: \$31.03 / SREC
- Delmarva has the right to exercise price discretion and reject bids
 - Bids above the Alternative Compliance Price of \$150 will be automatically rejected
- You can see past procurement results by going to a procurement's page on our website and scrolling to the "Results" section.

Award Process



Award Process – Tie Scenario

- Tie Scenario: if multiple bids at the same price oversubscribe a tier
- Systems with DE Labor and/or Parts would be selected over systems without either bonus
- If a tie remains, the systems involved in the tie may need to submit revised bids
 - We will contact you if you need to rebid.

Program Requirements

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
- Projects under 500 kW must have revenue grade meters or revenue grade online monitoring

One Contract – Multiple Facilities

- Applicants must aggregate facilities together under one contract if they:
 - Are on the same parcel of land OR
 - Share a utility interconnection point
- Exceptions made for partial fills from previous procurements.

Bid Deposits

- Required if system does not yet have DE certification
- = \$100/kW of nameplate capacity
- Rounded using standard rounding rules
 - Example: 8.7 kW system = \$900 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

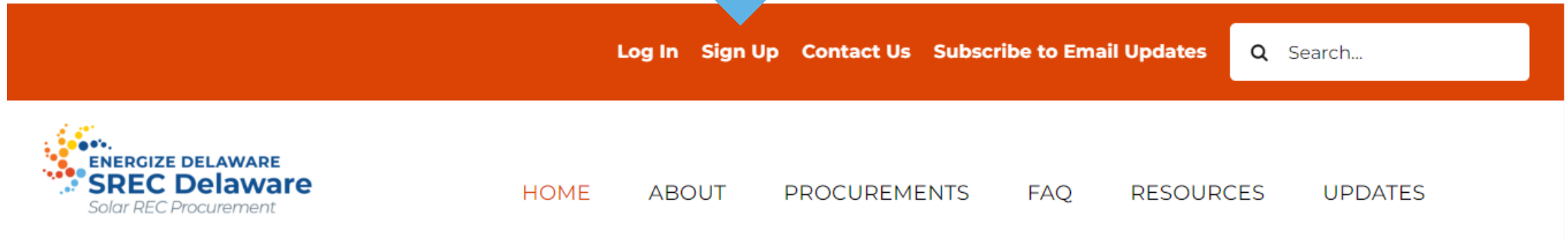
Application Example

Application Overview

- Application window:
 - Monday September 18th 9:00am – Friday September 29th 5:00pm
- All applications must be submitted online
- 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


Go to: www.srecdelaware.com, click “Sign Up” on top bar.



Getting Started

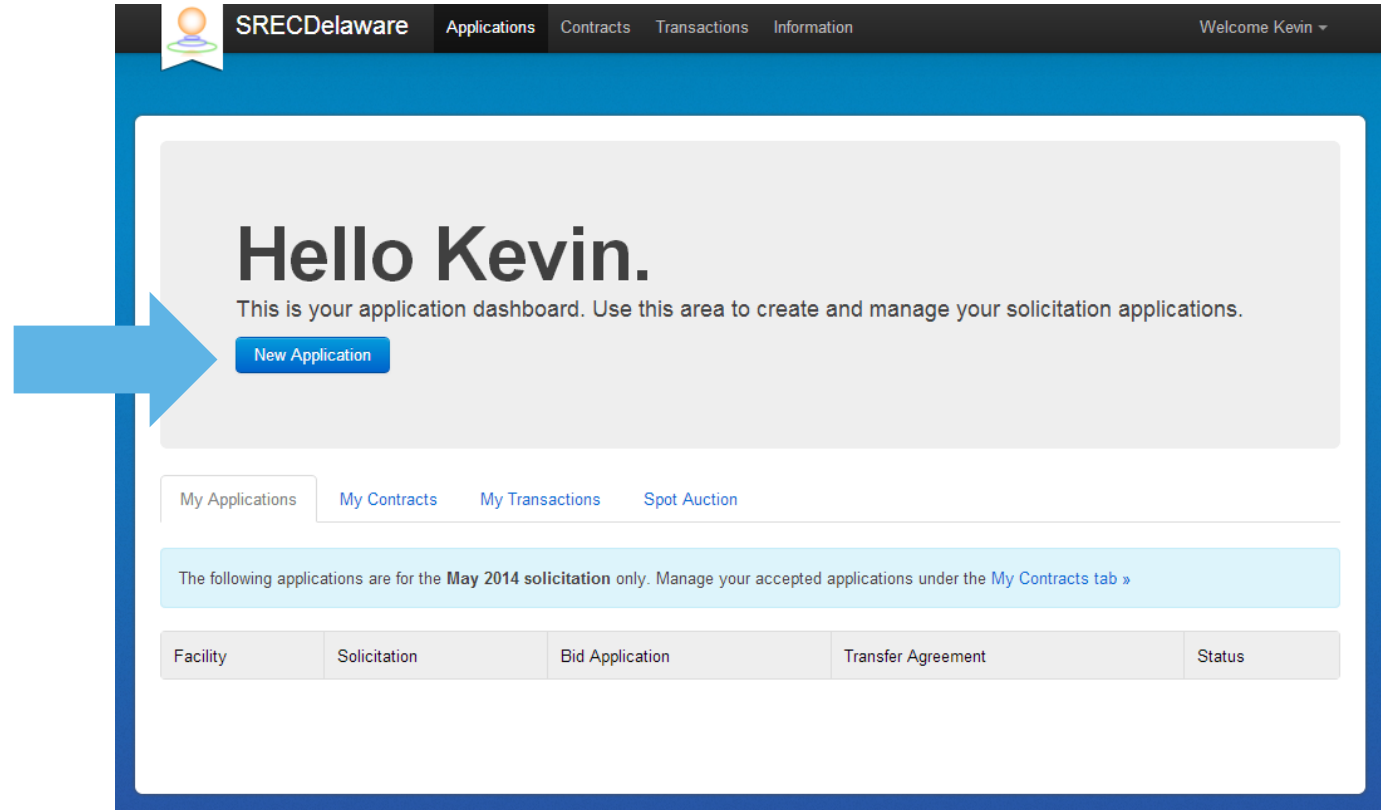
Fill in your contact details, create a password, click “Create Account.”

User Registration

Your Login	Your Information	Your Address	Create account!
Email <small>REQUIRED</small>	First Name <small>REQUIRED</small>	Company Name	<input type="button" value="Create Account"/> <input type="button" value="Cancel"/>
<input type="text"/>	<input type="text"/>	Street <small>REQUIRED</small>	
Password <small>REQUIRED</small>	Last Name <small>REQUIRED</small>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	Apartment or Suite	
Confirm Password <small>REQUIRED</small>		City <small>REQUIRED</small>	
<input type="text"/>		<input type="text"/>	
		State <small>REQUIRED</small>	
		<input type="text"/>	
		Zip <small>REQUIRED</small>	
		<input type="text"/>	
		Phone <small>REQUIRED</small>	
		<input type="text"/>	

New Applications

Click “New Application.”



The screenshot shows the SREC Delaware user interface. At the top, a dark navigation bar contains the SREC Delaware logo, menu items for Applications, Contracts, Transactions, and Information, and a user greeting 'Welcome Kevin'. The main content area features a large grey box with the text 'Hello Kevin.' and 'This is your application dashboard. Use this area to create and manage your solicitation applications.' A prominent blue button labeled 'New Application' is highlighted by a large blue arrow pointing from the left. Below this, there are tabs for 'My Applications', 'My Contracts', 'My Transactions', and 'Spot Auction'. A light blue informational banner states: 'The following applications are for the May 2014 solicitation only. Manage your accepted applications under the My Contracts tab »'. At the bottom, a table header is visible with columns for Facility, Solicitation, Bid Application, Transfer Agreement, and Status.

Prior Applications

You can submit a new bid for a facility that was not accepted in a previous procurement.

Contact Customer Service if you want to submit a bid for a facility previously submitted by another party.

The screenshot shows the SREC Delaware web application interface. The navigation bar includes 'SREC Delaware', 'Applications', 'Contracts', 'Transactions', and 'Information'. A user is logged in as 'Kevin'. The main content area asks 'What are you applying with?' and displays 'You have 3 existing facilities'. Below this, there are two options: '1 Use an Existing Facility' and '2 Create a New Facility'. The 'Use an Existing Facility' option includes a table with the following data:

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

The 'Create a New Facility' option includes a button 'Create a new facility and apply' and a 'Cancel' button.

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

Nameplate Capacity (kW-DC) **REQUIRED**

Mounting Location **REQUIRED**

Meter Type **REQUIRED**

This is in addition to your utility installed meter. Existing systems will be given until December 1, 2022 to have one installed

Does a third party own the property where the facility is located? **REQUIRED**

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

Does a third party own the SRECs produced by this facility? **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**

Did you apply for the Green Energy Fund with an upfront grant? **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
-- Select One -- ▼

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@sreodelaware.com

Step #3 – Owner Representative

Select an owner representative, if applicable.

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	srecdelaware@srectrade.com

Step #4 – Bid Price

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

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

Bid Price

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

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

Step #4 cont. – SREC Commitment

- SREC Commitment: The number of SRECs a facility commits to sell if the bid is successful
- Payment for up to 110% of commitment
- Projects > 500 kW pay damages for creating less than 80% of commitment

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

Step #4 cont. – Parts and Labor Bonuses

The facility must match the parts and/or labor bonus indicated on the application, or the contract will be cancelled.

Check your certification number:

- DE-#####-SUN-01-PW = Parts & labor
- DE-#####-SUN-01-0W = labor only
- DE-#####-SUN-01-P0 = Parts only
- DE-#####-SUN-01-00 = neither

Contact customer service if you believe you qualify for the Delaware Parts bonus.

Parts and Labor Bonus

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

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 that do not already have a Delaware Certification number

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

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.

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

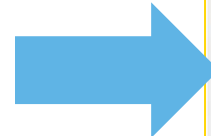
Do you have a Letter of Credit or AIA Bid Bond?

You can upload it and waive the requirement to transfer any funds.

Step #5 – Bid Deposit (continued)

Transfer Identification # used to track payments.

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



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 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

Step #5 – Bid Deposit (continued)

Return information 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"

Sign & Submit!

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 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: #007bff; color: white; padding: 2px;">99%</div> Step 5 of 5	<i>not required</i>	<i>not required yet</i>	Continue »

The dashboard will only show applications from the 2023 Procurement.

Next steps – before application window

- Confirm that you will need to submit your own application
- Confirm that you are not already under long term contract to sell your SRECs
- Submit your application to the DE PSC if you do not already have a certification number
- Gather necessary application information – use the application checklist!
- Review past procurement results to decide on a bid price

Next steps – after application window

- Approximately 1 month after procurement window closes, results will be announced.
 - We will provide a deadline for completing the Transfer Agreement and other documents
 - You must terminate any contract you have with any other SREC broker or aggregator
- Please allow 1-2 months for our team to register your facility with the SREC Tracking registry after you sign the necessary documents.

Next steps – after application window

- SREC owners must enter solar production readings on the SREC Delaware website
- SREC payments will be made by direct deposit

Questions & Answers

Contact Us:

302.495.9999

customerservice@srecdelaware.com

A recording of this webinar and the slides will be posted on our website:

www.srecdelaware.com

