



## **Green Power Providers Frequently Asked Questions**

### **Q. Why is Generation Partners being replaced by Green Power Providers?**

**A.** Generation Partners was a pilot initiative to test the feasibility of small-scale renewable energy in the Tennessee Valley. Green Power Providers incorporates lessons learned from the Generation Partners pilot program that was initiated in 2003. Best practices from other utility performance-based programs were also incorporated. Green Power Providers is the new long-term program that will replace the Generation Partners pilot program beginning October 1, 2012.

### **Q. When is the last day to submit a Generation Partners Participation Agreement?**

**A.** Generation Partners ends September 30, 2012. Participation Agreements should be submitted to your local power company as early as possible for consideration. Contact your local power company for specific deadlines. TVA suggests September 7 as the deadline for local power companies to submit Participation Agreements to TVA to ensure adequate time for processing, review, and execution. Please note that depending on the number of Participation Agreements TVA and your local power company receives, your Participation Agreement may not be approved by TVA. In this case, you may then consider reapplying under the provisions of Green Power Providers.

### **Q. What are the key features of the new Green Power Providers program?**

**A.** This new program will incorporate best practices and lessons learned from the Generation Partners pilot program. Key features include:

- **Longer-term contracts-** Contract term will now be 20 years in length. Participants will be paid the retail rate plus an incentive for a full 10 years of the 20-year contract term. For the remainder of the contract term, Participants will be paid the retail rate.
- **A new fast-track process-** Renewable energy projects up to 10 kW will be streamlined to encourage participation. Projects greater than 10 kW will require a review of the average energy usage based on the customer's previous 12-month billing history. System sizes will be limited so that annual energy generation does not exceed annual energy usage. This requirement will help resolve potential interconnection issues and avoid associated delays.
- **Incentives aligned to renewable costs-** The one-time participation incentive of \$1,000 will continue to be provided to offset installation costs. Incentive amounts will be reviewed annually to align with declining technology costs. For the remainder of CY 2012, the incentive payment will be 12 cents/kWh for solar and 3 cents/kWh for other eligible technologies.
- **Nationally certified installers-** Beginning in 2013, new approved solar and wind projects must be installed by an individual who has received at least entry-level NABCEP certification. Certified installers will promote consumer confidence, and worker safety and skills.
- **Annual cap-** An annual capacity cap will be established and displayed on the program website, ensuring transparency and assurance that the program is adequately subscribed. The cap for CY 13 is expected to be 10 MW.



- **Continuity**- Eligible resources (solar, wind, hydro and biomass), as well as resource size of up to 50 kilowatts, remain the same as under Generation Partners.
- **Clarity** - A new Guidelines document has been incorporated into the Green Power Providers program, and will be available on the TVA website beginning October 1. The Guidelines will provide details on program terms and conditions, premium information, eligibility criteria, etc.

**Q. How soon can I sign up for Green Power Providers?**

**A.** Green Power Providers will be available to eligible customers of participating local power companies on October 1, 2012. Please check with your local power company on the specifics of applying for Green Power Providers.

**Q. Why does my system need to be installed by a NABCEP certified installer?**

**A.** This new requirement will help ensure that proper safety measures and protocol are taken into consideration when designing a generation system and interconnecting it into the electric grid. Green Power Providers solar and wind systems approved by TVA on or after January 1, 2013, must be installed by an individual with at least entry-level NABCEP certification. NABCEP stands for the North American Board of Certified Energy Practitioners, which is the industry standard for renewable energy certifications and is a common requirement for utility incentive programs like Green Power Providers. TVA is only requiring entry-level certification for applications approved by TVA beginning January 2013. Delaying this requirement until January 2013 gives the installer community a full three months to obtain the entry-level certification. For more information, please contact NABCEP directly or visit [NABCEP.org](http://NABCEP.org).

**Q. When is my premium locked in? When my Participation Agreement is signed by TVA or when the system is completed? How will I know what premium I will get?**

**A.** The premium will vary based on the renewable technology, and the date and calendar year on which TVA executes the Participation Agreement. The applicable premiums for each calendar year will be provided in the Program Guidelines (on TVA's website), which should be read and understood by the Participant before applying for Green Power Providers. Please note the qualifying system(s) must be completed, installed, and generating at full capacity within 180 calendar days from the date TVA executes the Participation Agreement in order to receive the premium rate for that calendar year.

**Q. If I get my Participation Agreement approved by TVA in 2012 and receive the 12-cent premium for solar, could my premium decline in 2013, 2014, etc?**

**A.** No, the premium available for a particular calendar year is locked in for a full 10 years once a participant verifies that 1) an Interconnection Application has been submitted to and approved by the local power company, and 2) TVA and the local power company have approved, signed, and dated the Participation Agreement.

**Q. What factors will TVA consider when reviewing and evaluating premium incentives?**

- A.** TVA will consider a number of factors, including:
- Market – program participation, other available incentives and Green Power Switch participation
  - Cost – installed cost of renewable energy systems
  - Budget - annual review process
  - Value – including potential renewable and/or clean energy legislation



**Q. Why does TVA plan to review and evaluate premiums annually with plans to phase them out over time?**

**A.** As renewable energy system costs continue to decrease and become more affordable, there is less need for subsidies for small-scale renewable generation. TVA wants to promote sustainable growth in small-scale renewable generation while continuing to support local industry and provide a smooth path to grid parity. In addition, the annual premium review and decline of premiums aligns with the Integrated Resource Plan (IRP) which states that TVA has a goal of adding 1,500 to 2,500 MW of *cost effective* renewable capacity by 2020.

**Q. What are the new, adjusted premiums and associated schedule?**

**A.** As TVA has previously committed, premium incentives for Green Power Providers will remain at current Generation Partners levels through calendar year 2012. These incentives are 12 cents for solar and 3 cents for wind, biomass, and small hydro. The incentives for calendar year 2013 have not yet been finalized.

**Q. How far in advance will TVA announce the premium for the next calendar year?**

**A.** TVA will review the program and incentives annually and will endeavor to publish a revised Guidelines document online at the program's website one to two months prior to changing the premium rate.

**Q. Why has the contract term been set at 20 years?**

**A.** Many stakeholders requested that we consider a longer contract term for a number of reasons, including: 1) some eligible renewable generation technologies have expected lifetimes of 20 years and are under warranty for up to 20-25 years, and 2) a 20-year term allows customers to more easily attain financing for projects.

**Q. I currently participate in Generation Partners and I would like to extend my Participation Agreement an additional 10 years...What do I need to do?**

**A.** Existing Generation Partners participants may qualify for a contract extension for an additional 10 years to be paid at the applicable retail rate only. No premium will be paid during the latter 10 years, and TVA will own the Renewable Energy Credits (RECs) for the full 20-year term. Existing Generation Partners participant will receive an extension offer from TVA or their local power company in 2012, giving participants a deadline of April 1, 2013. Please note that this offer will amend the existing Generation Partners Participation Agreement and will also incorporate several Green Power Providers provisions. Further details will be available later in 2012.

**Q. Will all Generation Partners participants, even those larger than 50 kW, be able to extend their agreement an additional 10 years?**

**A.** Yes, all Generation Partners pilot participants will be offered the extension.

**Q. I understand that there will be an annual program limit for Green Power Providers beginning in calendar year 2013. How do I know how much capacity is available during the course of the year?**

**A.** Yes, for calendar year 2013, the capacity is expected to be 10 megawatts (MW). Previous year's pilot program data shows that across the Valley, renewable systems up to 50 kW that were interconnected comprise approximately 5 to 6 MW per year over the last couple years. To provide transparency, TVA will have an updated dashboard on the program's website so that



the public, installers, local power companies, and TVA will all be aware of the program's capacity available at any given time.

**Q. What happens if the annual megawatt capacity is met for the calendar year, and I have a Participation Agreement submitted to TVA for approval?**

**A.** TVA's process will be to review Participation Agreements in the order received. Depending on how many Participation Agreements are in the queue, it is possible that some may be denied due to there no longer being any capacity available for that calendar year. In this event, TVA will stop accepting any new Participation Agreements and will "deny" any Participation Agreements in the queue, provide an explanation of why it was denied, and return it to the local power company.

**Q. What happens if some approved projects do not come to fruition and capacity becomes available?**

**A.** If additional capacity becomes available, TVA may update its website and begin accepting new Participation Agreements, which will be reviewed in the order received. If capacity does not become available, TVA will begin receiving Participation Agreements on January 1 of the following calendar year.

**Q. Under Green Power Providers, will I still have six months to install the qualifying system?**

**A.** The Participation Agreement will expire if the system is not completed and approved by your local power company within 180 calendar days. This means you should have the system installed in advance of this date to allow time for your local power company to review the system to ensure it is in compliance with the Participation Agreement, Guidelines, Interconnection Agreement, and other required inspection reports.

**Q. As a Generation Partners participant, will I be subject to the load requirement for system increases?**

**A.** In 2012, TVA and local power companies will issue an Amendatory Agreement to existing Generation Partners Participants. This Amendatory Agreement will include an offer to extend the existing Participation Agreements an additional 10 years, and will also include certain Green Power Providers provisions such as the load requirement for systems greater than 10 kW. A "load requirement" simply means that the system's maximum capacity will be limited so that it should not generate more than 100% of the energy usage or consumption at the home or business. Please note that any requested system size increase will be subject to available program capacity in the given year and the entire modified capacity (kW) will be subject to load requirements.

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