

SREC-Based Financing (SREC-II) Program RFP Overview Webinar

Round 2

Atlantic City Electric Company (ACE), Jersey Central Power & Light Company (JCP&L), and Rockland Electric Company (RECO)

August 28, 2015



A PHI Company



A FirstEnergy Company

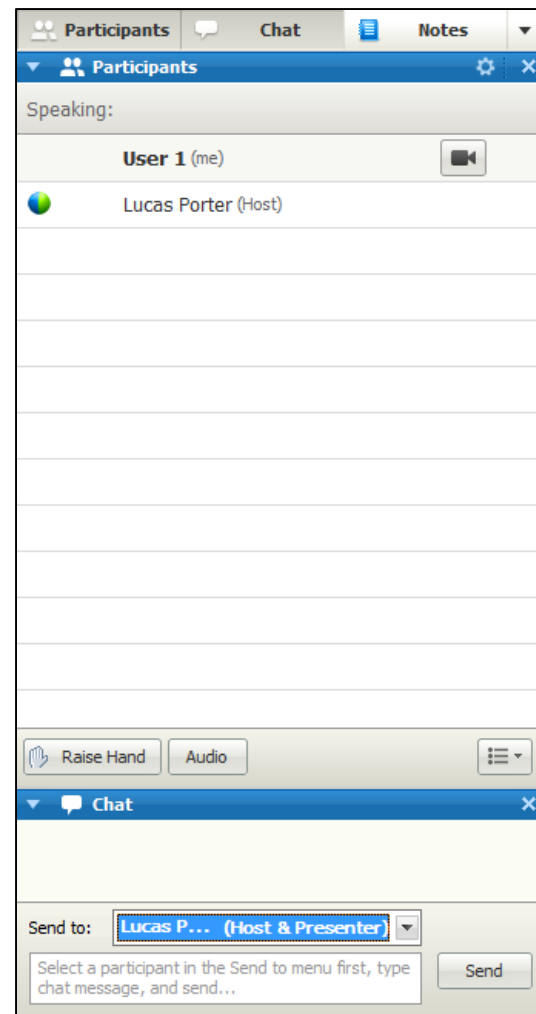


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Phones will remain muted throughout

- » You may submit questions today:
 - via the RFP Web Site at njsolarprogram.com (click on 'FAQ'); or
 - via email to njsolar@navigant.com (your question can be submitted at any time during the RFP and may be responded to directly by our staff)
- » We will post responses to all questions submitted and received during the Webinar to the RFP Web site by September 11, 2015

WebEx chat window



Agenda

- **Today's Webinar**
- **RFP Website**
- **Communications Protocol**
- **RFP Overview**
- **SREC Solicitation Segments**
- **Round 2 Overview**
- **Eligibility & Requirements**
- **Consolidated Bid Application Overview**
- **Application Fee**
- **Administrative and SREC Transaction Fees**
- **Consolidated Bid Evaluation Process**
- **Final Awards**
- **RFP Target Schedule**
- **Key Contacts**

Documents and details related to RFP located at www.njsolarprogram.com

BROWSE
PAGE
PUBLISH

NJ Solar Program
Documents
FAQ

NJ Solar Program

Site Links

- Home
- Documents
- Announcements
- Calendar
- Subscribe for Updates
- Application Fee
- RFP Overview Webinar Info

Site Contents

Request for Proposals ("RFP")

Under the SREC-Based Financing ("SREC-II") Program

To subscribe for e-mail updates on the New Jersey EDCs' RFP under the SREC-Based Financing program, please follow this link.

This site, provided by Navigant Consulting, Inc., is your primary source of information for the SREC-Based Financing Program ("Program"). It is provided for Jersey Central Power & Light Company ("JCP&L"), Atlantic City Electric Company ("ACE"), and Rockland Electric Company ("RECO"). This site will be updated regularly, so please check back often for current information and documents. If you have any questions regarding this RFP, please contact the Solicitation Manager at njsolar@navigant.com.

Announcements

Date of Announcement	Title	Body
8/18/2015	SRP Registration - Round 2 Deadlines	<p>Prospective bidders are advised to submit their SRP Registrations as soon as possible. The following instructions have been provided by the SRP Market Manager:</p> <p><u>Instructions for submitting SRP Registrations to Market Manager:</u></p> <p>All SRP Registrations for the SREC Based Financing Program Solicitation must be RECEIVED by the Market Manager by Monday, September 28, 2015 by 4 pm. Due to the high volume of registrations, <u>no exceptions</u> will be given on this deadline.</p> <p>SRP Registration Packet must include:</p> <ul style="list-style-type: none"> A clearly written cover letter noting the project is intended for participation in the SREC-II Based Financing Program Solicitation. Cover letter must be the first page of SRP Registration packet. If there is no cover letter, the Market Manager will assume the project is <u>not</u> intended for this Solicitation. Please review your SRP Registration prior to submitting to the Market Manager to ensure all required information is included in the packet.

- » Navigant is serving as the Solicitation Manager (SM) for this RFP and its responsible for managing communications related to the RFP.
- » You may submit questions via:
 - RFP Web site: www.njsolarprogram.com and click on 'FAQ'
 - E-mail: njsolar@navigant.com
- » Please direct all correspondence through these channels.

- » The SREC-II Based Financing Program is designed to encourage and enable financing for new solar projects based on reasonable assurances of the price and potential revenues that may result from each Project's production of SRECs.
- » Each of the three EDCs will contract with the winning bidders from this RFP for **SRECs only** from Projects located within the EDC's service territory.
 - No purchase of energy or capacity from the solar projects is offered under this solicitation.
- » The SREC-Based Financing Program is consistent with the NJ BPU Orders and approved Stipulations (available on RFP web site):
 - 10 year term purchase agreements.
 - Three solicitations will be issued each year over a three year period.
 - Proposers must submit their Projects under the SREC Registration Program (SRP) and receive an SRP Registration Number.

- » **Proposals solicited under the SREC-II Program must fall in one of the following three categories:**
 - **Segment 1:** Net-metered residential and small commercial solar photovoltaic Projects less than or equal to 50 kW (Set-Aside and “Aspirational”).
 - **Segment 2:** Net-metered Projects greater than 50 kW up to 2 MW.
 - **Segment 3:** Grid-supply solar photovoltaic Projects conditionally certified or fully certified by the BPU as located on closed landfills, brownfields or areas of historic fill.

Round 2 Overview

» This RFP is seeking SRECs from solar projects up to the following quantities:

Segment	Round 2 Solicitation (kW-Dc)			
	JCP&L	ACE	RECO	TOTAL
Segment 1 - Residential/Commercial Set-Aside	580	189.32	100	869.32
Segment 1 - Residential/Commercial Aspirational	580	250	400*	1,230
Segment 2 – Res/Commercial	4,330	1,920	1,000	7,250
Segment 3 - Landfill/Brownfield/Historic Fill	0	0	1,500	1,500
EDC Total Round 2 Solicitation Targets	5,490	2,359.32	3,000	10,849.32

*Segment is for commercial projects only

Eligibility and Requirements

The following is a checklist of the primary eligibility criteria for the SREC II Program:

1. Project proposal conforms to all program requirements and meets the description for one of the following segments:

- Segment 1: Net-metered Residential and Commercial solar photovoltaic projects less than or equal to 50 kW Dc
- Segment 2: Net-metered solar photovoltaic projects greater than 50 kW Dc up to 2 MW Dc
- Segment 3: Grid Supply solar photovoltaic projects conditionally or fully certified by the NJ BPU

2. Project must be located in one of the EDC territories and be interconnected with the EDC distribution system (Segment 3 may interconnect with EDC transmission/sub-transmission system)

3. Participant, Developer, Owner, and/or Customer agrees to all program requirements, including:

- Terms and conditions of the SREC-PSA
- EDC net metering arrangements
- Execution of PJM-GATs Standing Order

4. Net metered project must clear the Initial Application Process under the SREC Registration Program before the Bid Due date; registration must be submitted to SRP Admin by 9/28 at 4 PM

5. Project has not been constructed prior to the date that proposals are due (except for Segment 3)

6. Project will not request final interconnection approval prior to BPU approval of bids and award of SREC-PSA (except for Segment 3)

Consolidated Bid Application Overview

For Round 2, a single bid application is required to be submitted that includes the following:

- » Section 1 – Project Information, which includes:
 - NJCEP Application Number which you will receive from the SRP Administrator if requested no later than 9/28 by 4 PM; and
 - Application Fee Confirmation Number which you receive once paid through the njsolarprogram.com site.
- » Section 2 – Proposer Contact Information
- » Section 3 – Customer Information
- » Section 4 – Developer Information
- » Sections 5 & 6 – Owner and Host Information
- » Section 7 – Pricing Proposal
 - Proposed price per SREC to be paid by the EDC during the SREC-PSA Delivery Period
 - Project Segment (1, 2 or 3)
 - EDC Service Territory
 - Confirmation that bidder agrees to the terms of the RFP
- » Sections 8 & 9 - Certifications
- » Section 10 – Company Ownership Supplemental Form
- » Section 11 – Customer Acknowledgement
- » Section 12 – Appendix C to the SREC PSA (Depending on response to questions in Section 12, electronic copy in pdf format may be required with Consolidated Bid Application submission)
- » Section 13 – Final Checklist

Application Fee

- » The following fees must be paid prior to submitting your Consolidated Bid Application:

Segment	Application Fee		
	JCP&L	ACE	RECO
Segment 1	\$25	\$25	\$150
Segment 2	\$50	\$50	\$150
Segment 3	\$150	\$150	\$150

- » Payments must be made via the online payment portal located at <https://njsolarprogram.navigant.com/SitePages/Application%20Fee.aspx>
- » You will receive a confirmation number. The number must be included in the Consolidated Bid Application.
- » If you fail to include the confirmation number in the Consolidated Bid Application, your bid will not be evaluated.

Administrative and SREC Transaction Fees

- » Administrative and SREC Transaction Fees are deducted from your proposed price by the EDC.

EDC	Fees (\$/SREC)		
	Administrative Fee	Transaction Fee	Total Fees
ACE	\$17.07	\$22.59	\$39.66
JCP&L	\$17.00	\$31.21	\$48.21
RECO	\$30.00	\$39.11	\$69.11

- » The amount above will be deducted from the proposed price:

EDC	Example (\$/SREC)		
	Example Price*	Total Fees deducted	Amount paid
ACE	\$200	\$39.66	\$160.34
JCP&L	\$200	\$48.21	\$151.79
RECO	\$200	\$69.11	\$130.89

*The \$200/SREC example price was used for illustrative purposes only.

The SM will conduct the Project ranking in the following sequence:

1. Review Bids for eligibility and completeness.
2. Reject ineligible/incomplete proposals and those that have not paid the Application Fee or provided the corresponding payment confirmation number.
3. Rank Bids by price per SREC.
4. Apply Appropriate Developer Caps for each segment.
5. Develop preliminary findings (segment participation, Developer Cap, competitiveness of pricing, recommendations for next round of solicitation) will be developed.
6. Present confidential preliminary findings and recommendations to the EDCs, BPU Staff and Rate Counsel for input.
7. Submit confidential findings and recommendations to the BPU for their consideration.

Final Awards

- » Final selection recommendations will be scheduled on the Board agenda.
- » Final awards are determined by the BPU and memorialized in a Board Order that is issued shortly thereafter.
- » The SM will then notify successful and unsuccessful bidders of the status of their bid.
- » The execution of the SREC-PSAs by the Owners of successful Projects will occur approximately 45 days following the issuance of the Board Order.

RFP Target Schedule

Date	Action
August 12, 2015	Release of RFP for Round 2
August 28, 2015	RFP Webinar at 11:00 AM ET
September 28, 2015	SRP Registrations due by 4:00 PM ET
October 12, 2015	Consolidated Bid Applications due by 12:00 PM (noon) ET
October 27, 2015	SM submits Round 2 recommendations to Board
November 16, 2015	Board Meeting and Written Order
December 7, 2015	Round 2 Final Awards Announced
January 18, 2016	Execute SREC PSAs with Round 2 Winners

Key CONTACTS



Solicitation Manager, Navigant Consulting, Inc.

Web Site: www.njsolarprogram.com

E-Mail: njsolar@Navigant.com

Speakers on today's webinar:

Dan Bradley, Director-In-Charge

Jim Peterson, Director

Dia Dean Koujak, Associate Director

Lucas Porter, Managing Consultant

Important Notice

Any statements in this Webinar presentation describing or referring to RFP-related documents and agreements are summaries only, and are qualified in their entirety by reference to such RFP-related documents and agreements as provided in the following:

- SREC-II Program RFP
- Appendix A: Purchase & Sale Agreement (PSA)
- Appendix B: Consolidated Bid Application