

# MCE

## Feed-In Tariff Plus for Distributed Renewable Generation

*Revised and Effective as of December 2017*

### I. Applicability

This Feed-in Tariff Plus (“FIT Plus”) Schedule (“Schedule FIT Plus”) is available to qualifying Applicants who wish to sell to Marin Clean Energy (“MCE”) the electric output from an Eligible Small-Scale Distributed Renewable Generation Resource (“Eligible Resource”), with capacity of greater than one (1) megawatt (“MW”) and not greater than five (5) megawatts, as defined in the General Conditions section of this Schedule FIT Plus.

Service under this Schedule FIT Plus is available to qualifying Applicants on a first-come, first-served basis until (a) the combined rated generating capacity of all Eligible Resources under contract and in the FIT queue with MCE reaches twenty (20) MW, or (b) the aggregated annual expected energy output from all Eligible Resources under contract with MCE is projected to equal or exceed forty thousand (40,000) megawatt hours (“MWh”) during the upcoming twelve-month period.

MCE reserves the right to revise this Schedule FIT Plus, the related FIT Plus Application and the terms of its pro forma FIT Plus Power Purchase Agreement (“FIT Plus PPA” or “Agreement”) from time to time. MCE is not obligated to enter into a FIT Plus PPA with any Applicant, and MCE has no binding obligation under or in connection with this Schedule FIT Plus until a related FIT Plus PPA is duly executed by and between an Applicant and MCE for an Eligible Resource.

### II. Territory

This Schedule FIT Plus is applicable to any Eligible Resource physically located and interconnected within any member jurisdiction of MCE’s service territory (the “Eligible Territory”).

### III. General Conditions

#### 1. REQUIRED APPLICATION AND CONTRACT

Service under this Schedule FIT Plus is subject to MCE’s approval of the Applicant’s FIT Plus Application and execution of a FIT Plus PPA with MCE.

#### 2. CONTRACT DELIVERY TERM

Each FIT Plus PPA shall be for a Delivery Term of twenty (20) years.

#### 3. PARTICIPATION IN OTHER MCE PROGRAMS

Eligible Resources taking service under this Schedule FIT Plus may not also obtain benefits from any of the following:

- a. A power purchase agreement with MCE for deliveries from the same Eligible Resource; or
- b. Any Net Energy Metering (“NEM”) option for energy deliveries from the same Eligible Resource.

#### 4. ENVIRONMENTAL ATTRIBUTES

An Eligible Resource accepting service under this Schedule FIT Plus will deliver to MCE both the electric energy generated and any environmental attributes (associated with such electric energy) produced by the Eligible Resource.

#### 5. DEFINITION OF ELIGIBLE RESOURCES

For purposes of this Schedule FIT Plus, an Eligible Resource must meet the California Renewables Portfolio Standard Eligibility requirements described in the most current edition of California Energy Commission's ("CEC") guidebook of Renewables Portfolio Standard ("RPS") Eligibility, as the document may be amended or supplemented from time to time. An Eligible Resource must also meet the capacity requirements and requirements described herein.

#### 6. ELECTRICAL INTERCONNECTION

An Eligible Resource receiving service under this Schedule FIT Plus shall be interconnected within the Eligible Territory and shall be required to: 1) comply with applicable wholesale generation interconnection procedures established by Pacific Gas and Electric Company's ("PG&E") Electric Generation Interconnection ("EGI") group and/or the California Independent System Operator ("CAISO"), as appropriate; and 2) shall execute applicable agreements with PG&E and/or the CAISO, as appropriate, to establish and maintain interconnection with such transmission or distribution system. Any resources not meeting the requirements specified in the applicable interconnection procedures of PG&E and/or the CAISO will *not* be eligible for service under this Schedule FIT Plus. Electric interconnection of the Eligible Resource, including execution of all applicable agreements, shall be the sole responsibility of the Applicant inclusive of all related costs.

#### 7. CAISO COMPLIANCE

An Eligible Resource shall be required to comply with the CAISO Tariff, as amended from time to time, including but not limited to independently metering the Eligible Resource using a CAISO revenue meter, executing a Participating Generator Agreement, a Meter Service Agreement and all other applicable requirements.

#### 8. METERING REQUIREMENTS

An Eligible Resource receiving service under this Schedule FIT Plus shall comply with all applicable rules when installing a meter appropriate for full buy/sell or excess sale agreements, and which can be read daily by means acceptable to PG&E and MCE. All costs associated with such installation will be the responsibility of the Applicant. The Applicant shall be responsible for procuring and maintaining any communication systems required by PG&E and MCE for retrieving meter data.

#### 9. PERMITTING

A Schedule FIT Plus Applicant must obtain all necessary permits from the appropriate jurisdictional agency having authority and shall maintain such permits, as may be required, for the duration of the Agreement.

## 10. WORKFORCE

MCE's workforce requirements are included in this Schedule FIT Plus voluntarily and are not Public Works requirements.

- a) Local Hire: Applicant will ensure that fifty percent (50%) of the construction workhours from its workforce (including contractors and subcontractors) providing work and services at the project site during the Construction Phase (e.g., the period from Full Notice to Proceed (NTP) through receipt of a Permission To Operate (PTO) letter from the interconnecting utility) are obtained from permanent residents who live within the same county in which the Eligible Resource will be located (the "Local Hire Requirement"). Applicant's construction of the Eligible Resource is also subject to any local hire requirements specific to the city or town where the resource is located. As a condition precedent to commencement of the delivery term under the FIT Plus PPA, Applicant must certify that it met the Local Hire Requirement and be able to demonstrate, upon request, compliance with this requirement via a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit. Failure to comply with this requirement may, in MCE's sole discretion, result in termination of the FIT Plus PPA.
- b) Prevailing Wage: To the extent not inconsistent with the requirements of subsection (c) below, Applicant will ensure that all employees hired by Applicant, and its contractors and subcontractors, that are performing work or providing services at the project site during the Construction Phase are paid wages at rates not less than those prevailing for workers performing similar work in the locality as provided by Division 2, Part 7, Chapter 1 of the California Labor Code ("Prevailing Wage Requirement"). Nothing herein shall require Applicant, its contractors and subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code. As a condition precedent to commencement of the delivery term under the FIT Plus PPA, Applicant must certify that it met the Prevailing Wage Requirement, and be able to demonstrate, upon request, compliance with this requirement via a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit. Failure to comply with this requirement may, in MCE's sole discretion, result in termination of the FIT Plus PPA.
- c) Union Labor: Applicant with a proposed Eligible Resource to be located in Contra Costa County must agree to comply with the terms of that certain Letter Agreement between MCE and IBEW Local 302, dated June 20, 2017, and attached project labor agreement (collectively, the "PLA"). The PLA applies to "Covered Work" (as defined therein) for solar photovoltaic and associated energy storage projects for which MCE is the power supply off-taker. Applicants with proposed Eligible Resources located outside Contra Costa County are required to enter into project labor agreements of similar scope and requirements with participating unions for workforce hired. As a condition precedent to commencement of the delivery term under the FIT Plus PPA, Applicant must certify that it complied with the foregoing union labor requirements, and be able to demonstrate, upon request, compliance with this requirement via copies of executed PLAs or similar agreements, a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit. Failure to comply with this requirement may, in MCE's sole discretion, result in termination of the FIT Plus PPA.

## 11. STORAGE

An Eligible Resource may include storage in compliance with the current version of the CEC RPS Eligibility guidebook where the storage device is integrated into the Eligible Resource such that the energy storage device is capable of storing only energy produced by the Eligible Resource, either as an intermediary form of energy during the generation cycle or after electricity has been generated. An Eligible Resource that includes a storage device will receive the same contract price under this Schedule FIT as an Eligible Resource without storage.



## 12. ELIGIBLE RESOURCE AT ONE SITE

There may not be more than one exporting renewable energy facility, including the Eligible Resource, being developed or operating on or adjacent to an Assessor Parcel Number (“APN”) occupied, in part of fully, by the Eligible Resource.

### IV. Eligibility Criteria

1. Capacity: The nameplate capacity of the Eligible Resource must be greater than 1 MW and cannot exceed 5 MW (Alternating Current).
2. Location: The Eligible Resource must be physically located and interconnected within the Eligible Territory, as defined herein.
3. Eligible Renewable Resource: The Eligible Resource must utilize a fuel source meeting the eligibility criteria expressed in the CEC’s most current edition of the RPS Eligibility guidebook.
4. Interconnection: At the time of application, the Applicant must provide documentation substantiating that the Eligible Resource has (a) passed all Fast Track screens, (b) passed Supplemental Review, (c) completed a System Impact Study in the Independent Study process, or (d) completed a Phase 1 Study in the Cluster Study Process with the interconnecting utility.
5. Site Control: At the time of application submittal, the applicant must provide documentation demonstrating full site control via ownership, lease or an option to lease upon FIT Plus PPA execution. Any site lease shall reflect a term length no less than the Delivery Term of the FIT Plus PPA.
6. Prior Experience: At the time of application submittal, the Applicant must include three (3) recent renewable generating project references, all of which must have been successfully completed by the Applicant’s development team.
7. Description of Eligible Resource: At the time of application, the applicant must provide,
  - a) a to-scale Site Map of the Eligible Resource showing the arrangement of all major components of the facility with the name of the facility, nameplate capacity, longitude

and latitude of the centroid of Eligible Resource clearly labeled, in addition to labeling major cross streets and clearly marking the outer boundary of the facility and all Assessor Parcel Numbers included in and adjacent to the facility; and

b) a Single Line Diagram which includes to the Eligible Resource's point of interconnection on the electric distribution system.

## **V. FIT Plus Queue and Capacity**

### **1. QUEUE ASSIGNMENT**

MCE will maintain the FIT Plus queue on a first-come, first-served basis. Queue position shall be based on the submittal date and time of a complete and conforming FIT Plus Application, as determined by MCE in its reasonable discretion, delivered to the email address identified in the FIT Plus Application.

### **2. REVIEW AND CURE PERIOD**

Upon receipt, MCE will review the FIT Plus Application for completeness.

If any minor deficiencies in the Application are identified by MCE staff, the Applicant will have ten (10) business days, from the date of MCE's notification, to cure the deficiency(ies) (also known as the "Cure Period"). During the Cure Period, Applicant will retain its queue position. If the Applicant fails to cure the deficiency(ies) within the allotted ten (10) business days, the Applicant's position in MCE's FIT Queue will be forfeited and reallocated.

If major deficiencies are identified during MCE's review, MCE will notify the Applicant of the incomplete FIT Plus Application. Further review of the Application will be discontinued and no queue position will be assigned. The Applicant may re-apply for participation in MCE's FIT Plus program after all issue(s) have been resolved. A queue position will be assigned to the Applicant at the time the Application is deemed complete, subject to MCE's then-current available FIT Plus capacity and the prevailing FIT Plus price at that time.

All determinations by MCE regarding the completeness of an Application are final.

Once an Application is deemed complete, MCE will provide notice to the Applicant indicating the assigned MCE FIT Plus queue position and applicable price.

### **3. CAPACITY PER PRICING CONDITION**

The megawatt capacity allocated to each Pricing Condition is outlined in Section VIII, below. A Pricing Condition will be deemed complete when MCE has determined that (a) the megawatts associated with approved FIT Plus Applications in a given Pricing Condition reasonably fill the megawatts allocated to that Condition, or, (b) the expected aggregate energy output from all FIT Plus projects under contract and in the FIT Queue with MCE exceeds a specific condition’s annual MWh generation limit. Once deemed complete, the next eligible FIT Plus Application, on a first-come, first-served basis, will be assigned to the subsequent Pricing Condition until the megawatts allocated for the program have been filled, as determined by MCE. MCE reserves the right to review and adjust Pricing Conditions anytime during the duration of the program for non-executed PPAs and non-queue holders in its sole discretion.

4. REALLOCATION OF TERMINATED MEGAWATTS

For any megawatts associated with FIT Plus queue reservations that fail to execute a FIT Plus PPA, or any megawatts associated with executed FIT Plus PPAs that terminate before or after the Guaranteed Commercial Operation Date. MCE may, in its discretion, reallocate those megawatts into the then current Pricing Condition, unless the final Pricing Condition (Condition 4) has already been deemed complete.

**VI. Payments for Electric Generation Produced by Eligible Resources**

Under this Schedule FIT Plus, MCE will pay for the Products delivered by the Eligible Resource according to the applicable price for metered energy specified at a fixed rate for the Delivery Term of the FIT Plus PPA.

Applicable prices are presented below in Section VII, “Prices for Energy Produced by Eligible Resources”, and will also be reflected in the FIT PPA.

**VII. Prices for Energy Produced by Eligible Resources**

MCE has established the following price schedule which will be used to determine prices paid to an Eligible Resource meeting the requirements of this Schedule FIT Plus. MCE’s Board of Directors may periodically review and revise this price schedule<sup>1</sup>.

The addition of any Eligible Resource must reasonably fit but not exceed the allotted capacity reservation, determined at MCE’s sole discretion, for any Pricing Condition’s combined rated generation megawatt or megawatt hour capacity under contract (FIT Plus PPA) with MCE or reserved in MCE’s FIT Plus queue.

<b>FIT Plus Pricing Conditions</b>	<b>Eligible Resource Price (20-year Term, \$/MWh)</b>	<b>Cumulative MW Allocation</b>	<b>MWh/year</b>
Condition 1	\$ 80.00	5	10,000
Condition 2	\$75.00	10	20,000
Condition 3	\$ 70.00	15	30,000
Condition 4	\$65.00	20	40,000

<sup>1</sup> MCE Staff reserves the right to divert select FIT Plus projects to the MCE “Local Sol” cooperative solar development program under the terms of any condition without regard to active FIT Plus condition, at the sole discretion of MCE staff and subject to approval of the MCE Board of Directors. Capacity assigned to the Local Sol program will not affect the price schedule or the active condition (rate) for FIT projects.

### **VIII. Extension of Guaranteed Commercial Operation Date**

MCE reserves the right to terminate an Applicant's FIT Plus PPA if an Applicant is unable to achieve the Commercial Operation Date ("COD") for the Eligible Resource before the applicable deadline under the FIT Plus PPA (the "Guaranteed Commercial Operation Date"). So long as an Applicant is not otherwise in breach of its FIT Plus PPA, however, an Applicant may be eligible for a one-time extension of the Guaranteed Commercial Operation Date of up to twelve (12) months. An extension request must be submitted in writing at least 30 days prior to the original deadline for COD, and Applicant must demonstrate to the reasonable satisfaction of MCE Staff that (a) Applicant has pursued development of the Eligible Resource in a commercially reasonable, diligent and continuous manner and (b) the pre-parallel date recorded in its executed Small Generator Interconnection Agreement with PG&E is reasonably expected to occur within the requested extension period.