

Brokered Bid Bidder Instructions

Renewable Energy Certificate (REC) Production from Green Resources in North Carolina

January 2020

I. Introduction

NC GreenPower is a 501(c)(3) nonprofit whose mission is to improve the quality of the environment in North Carolina through a statewide program that connects consumers with green energy and carbon offset providers.

NC GreenPower is currently accepting bids for renewable energy certificates (RECs) associated with renewable energy generated in North Carolina and supplied to the North Carolina electric grid. This is an ongoing, open-bid process for the Brokered Bid product only.

NC GreenPower's Program Plan defines renewable energy as electricity provided from solar photovoltaics (PV), wind, small hydro (10 MW or less), and biomass resources (methane from landfills, animal waste, agricultural waste and wood waste), which is delivered to North Carolina's electrical supply. More specific details about eligible resources and program requirements within these categories are available in Sections III and IV. If you are interested in submitting a bid, you are encouraged to review the NC GreenPower [Program Plan](#) for a better understanding of the intent and goals of NC GreenPower.

If you are already familiar with the program, you can skip to Section III for information about eligible resources and facilities. Generators may submit a bid anytime by completing the Bid Document that is attached at the end of these instructions. For additional information on the Brokered Bid product, please visit NC GreenPower's [website](#).

II. NC GreenPower Program Description

NC GreenPower is a voluntary program that connects consumers with green energy and carbon offset providers. NC GreenPower is a collaborative effort between renewable energy generators, electric utilities, and consumers to implement and support renewable energy development and generation in North Carolina. Consumers choose to support renewable energy by contributing towards our products offerings.

NC GreenPower offers several different products to consumers. Bids are accepted on an ongoing basis for the Brokered Bids Product only.

1. **Brokered Bids** – This product is an economical and flexible option available to customers who purchase a minimum of \$15,000 in RECs per year. All qualifying resources can be used to supply the demand for the Brokered Bids. Customers interested in the minimum purchase criteria above have access to our portfolio of projects and can select a portion of a project, an entire project or multiple projects of interest to them, which are within their price range. NC GreenPower serves as a broker between the generator and the customer to facilitate an offer and payment through NC GreenPower.

A customer's purchase of Brokered Bids products may be subject to unique terms and conditions including the prepayment of fees. In addition, some Brokered Bid customers are seeking [Green-e](#) certified or listed RECs.

2. **Mass Market** – This product is available for as little as \$4 per month for 125 kWh. Only new solar PV, wind and landfill methane resources are eligible to supply RECs for the Mass Market product. Currently, new resources are defined as those generation sources that began operation on or after January 1, 14 years or later from the current year.
3. **Large Volume** – This product is available for \$2.50 per 250 kWh to customers who purchase a minimum of \$100 (10,000 kWh) or more per month. All qualifying resources will be used to supply the demand for the Large Volume product.

One-time donations to NC GreenPower are also accepted for event offsets, LEED points, or other renewable energy goals. Visit www.ncgreenpower.org for more information.

III. Eligible Green Power Resources

Green power is defined for NC GreenPower as renewable energy generated in North Carolina by solar PV, wind, small hydro (10 MW or less), and biomass resources (methane from landfills, animal waste, agricultural waste and wood waste) which is delivered to North Carolina's electrical supply.

A. Biomass

Landfill Methane

Methane gas collected from landfills, digestion of human and/or animal waste that is combusted to generate electricity shall be eligible for NC GreenPower premiums.

Animal Waste Methane

Eligible animal wastes shall include the following materials used to generate electrical energy: gasified and then combusted (with or without the use of a fluidized bed) manure, or a manure and litter mixture that is currently disposed of through burning or land filling shall be eligible for NC GreenPower premiums.

Agricultural Waste

Eligible agricultural wastes shall include the following materials used to generate electrical energy: gasified and then combusted (with or without the use of a fluidized bed) chaff, and other agricultural waste that is currently disposed of through burning or land filling shall be eligible for NC GreenPower premiums. Agricultural waste that is normally "left in the field" for the purpose of supplying nutrients to the soil or reducing soil erosion shall not be eligible for NC GreenPower premiums. The facility shall be capable of providing electricity to the electric utility grid in North Carolina.

Wood Waste

Currently NC GreenPower recognizes wood waste as the only directly combusted biomass fuel eligible for NC GreenPower premiums. However, other biomass fuels may be eligible in the future. NC GreenPower recognizes and encourages responsible and sustainable business practices for forest and wood products management. Although North Carolina has abundant forestry and wood resources, the quality and quantity of original forests are in decline due to land development. Thus, developers are creating significant amounts of wood waste at the expense of the quality and quantity of original forests. NC GreenPower does not intend for this type of wood waste to be included in the NC GreenPower program. Therefore, the following guidelines have been developed for the types of wood waste that will be allowed for NC GreenPower qualification: tree trimmings, mill residues (bark, sawdust and fines from primary processing facilities); segregated construction and demolition wood (excluding painted, treated, glued,

pressurized wood or any wood contaminated with plastics or metals); clean wood waste from manufactured home plants, pallet recycling facilities, furniture manufacturers, finished building products and other similar industries; wood from land clearing that would otherwise end up in landfills; and wood bedding material removed from poultry brooder houses. Wood “chips” derived from processing whole trees within forested land will not be allowed as qualifying wood waste. However, the Board of NC GreenPower may review this exclusion in the future to determine if sustainable forestry practices are being employed in connection with wood chip production. Further, it may also be determined if such practices warrant the consideration of wood chips as a green power source, and if the environmental community is willing to recognize their use in such a way.

B. Small Hydro

Any new small hydro facilities have to meet licensing standards as defined by the Federal Energy Regulatory Commission (FERC) and the appropriate state and local governing agencies. It is anticipated that any new hydro facilities will involve the installation of new generating capacity on existing impoundments (dams). Any new hydro generating facility that involves a new impoundment will not automatically be included in the program but will require special approval. Existing small hydro facilities of 10 MW or less are eligible to participate in NC GreenPower but will not be considered for the Mass Market product.

C. Solar Photovoltaics

For the Brokered Bid product, systems larger than 5.0 kW (DC) will be considered with no limit on system size. Due to the high interest in solar PV generation, as the system size increases, projects are expected to bid in below the standard incentive rates for small solar PV systems.

D. Wind

NC GreenPower is still seeking to increase the percentage of wind generation in the program. For the Brokered Bid product, systems larger than 10.0 kW (DC) will be considered with no limit on system size.

IV. Requirements and Eligibility

A. Quantity of Resources Sought

NC GreenPower is accepting bids for the Brokered Bid product only. Large scale renewable energy projects may submit, however if your project has more generation

available than our needs, we may make a partial purchase. The RFP process to procure RECs for our Mass Market and Large Volume products is currently closed.

Note: For small wind (10.0 kW or less, DC), generators do not need to submit a bid here but should use the [Expedited Application](#).

B. New and Existing Definition

NC GreenPower can utilize RECs from generation supplied to the North Carolina electric grid from both new and existing resources. New resources are defined by NC GreenPower as those generation sources that began operation on or after January 1, 14 years or later from the current year; this definition aligns with that of a [Green-e](#) certified project. For hydro facilities, see Section III of this document for more definition regarding new generation.

C. Period for Which Resources are Sought

The term will depend on how long the project takes to fulfill a customer's needs. In the past, agreements have had a maximum term of five years, but customers often seek shorter term agreements of one to two years.

NC GreenPower seeks only RECs measured in MWh (or kWh) and is not directly concerned with capacity (kW), time of generation or capacity factor.

Projects with vintage (year) 2020 RECs (generated on or after July 1, 2019) or newer can bid at this time. NC GreenPower has a preference for projects that are already producing RECs or will come online shortly.

D. Interconnection and Eligible Facilities

The generator of green power will be required to enter into a Power Purchase Agreement (PPA) with a North Carolina electric utility. NC GreenPower premiums are available only to generator-owners for projects located in North Carolina which deliver electricity into the North Carolina electric grid. NC GreenPower is not purchasing the electricity from a green energy project, only the RECs associated with that grid-delivered electric generation.

E. Agreement with NC GreenPower

The green power generator will also be required to enter into an agreement with NC GreenPower. NC GreenPower agreements will state a maximum number of RECs that NC GreenPower desires to purchase in a specific period. The vintage of REC generation and specific project locations will be referenced in the agreements and must be adhered to for fulfillment of the agreement. If NC GreenPower's needs exceed that

maximum due to unanticipated demand, additional bids will be selected for other generators to enter the program. Existing generators are not prohibited from submitting bids for additional participation.

NC GreenPower uses utility-issued documentation (utility statements) of monthly meter readings as a third-party verification of the number of kWh generated. These utility statements will be provided by the generator to NC GreenPower so that premium payments can be calculated and processed. NC GreenPower is not associated with the mandatory NC REPS (Renewable Energy and Energy Efficiency Portfolio Standard) and is not a participant in the NC-RETS (Renewable Energy Tracking System). However, if the project is already registered in NC-RETS and is selected by NC GreenPower, verification of the retirement of RECs for NC GreenPower within the NC-RETS system would need to be provided. Any costs incurred for transactions within NC-RETS are the responsibility of the owner of the RECs and not by NC GreenPower.

V. Bid Process Information

A. Information Requested

Suppliers interested in participating in the NC GreenPower bidding process shall provide the information requested on the attached Bid Document at the end of this document. All information submitted through the Bid Document will be treated as confidential.

B. Bidding Procedure

Bidders must follow the instructions below. NC GreenPower reserves the right to reject any proposals that are not complete or contain irregularities. We may contact you to obtain clarification regarding your proposal.

We prefer that bids be submitted via email at bids@ncgreenpower.org. Bids may also be sent by U.S. Mail or other delivery service and should be sent to:

NC GreenPower
Bidder Submission
909 Capability Drive, Suite 2100
Raleigh, NC 27606-3870

Questions about the bidding process must be in writing to bids@ncgreenpower.org. As this is a competitive bid process, NC GreenPower will not share any cost information or guide bidders on their pricing. If applicable, responses will be posted online on our [Resource Frequently Asked Questions](#) page for all interested parties to view.

Bids will be valid with NC GreenPower for the length of time as specified in the Bid Document. While a bid does not obligate NC GreenPower or the bidder in any way, information from the bids may be used by NC GreenPower to enter into negotiated agreements with selected bidders to participate in the NC GreenPower program. In the bidding review process, proposals are first determined to be appropriate for the program, and then potentially selected to support our products.

C. Premiums

As this is a competitive bid process, NC GreenPower will not share any cost information or guide bidders on their pricing. Proposals should not be submitted with the expectation that NC GreenPower will negotiate on price.

It is anticipated that the premium paid will vary by customer demand, technology type and project. Premiums will be based upon the amount of incentive (including payment from the utility PPA) expected to make installation of the technologies approach economic feasibility. These premiums will be paid to encourage the development of new resources and to sustain existing renewable energy resources in North Carolina.

It is the intent of NC GreenPower, that whenever possible, bidders will be selected whose projects meet the customer's requirements.

D. General Evaluation Criteria

Bids are reviewed by a committee assembled by NC GreenPower. In general, the bids will be evaluated using the following criteria (in order of importance):

- Compatibility with the NC GreenPower Program Plan
- Premium requested from NC GreenPower
- New or existing resource
- Green-e eligibility if required by customer
- How well the project is defined and how likely it is to reach productivity
- How quickly the project can supply electricity to the North Carolina utility grid
- Completeness of information supplied
- Demonstrated experience in power generation

E. Awards Process

In reviewing bids, NC GreenPower may request respondents to provide more information, be asked to speak with the review committee via conference calls, and/or be asked to enter into negotiations with NC GreenPower. Proposals should not be submitted with the expectation that NC GreenPower will negotiate on price.

Bids will first be evaluated for eligibility into the program. It is our goal to contact respondents directly within 10 days of submission regarding their eligibility.

Once a bid is deemed eligible for the program, it will be placed in the Brokered Bid portfolio. If the bid is selected by a customer, an agreement with NC GreenPower will be issued.

F. Disclaimer

THIS BID PROCESS IS NOT A PROCUREMENT. THIS BID PROCESS IS NOT A COMMITMENT BY NC GREENPOWER OR ANY UTILITY OR ELECTRIC POWER PROVIDER TO PURCHASE ANY PRODUCT OR ENERGY OR TO TAKE ANY SPECIFIC ACTION. NC GREENPOWER RESERVES THE RIGHT NOT TO AWARD ANY AGREEMENTS AS A RESULT OF THIS SOLICITATION AND, IN THE EVENT AN AGREEMENT IS ENTERED INTO FOR THE PURCHASE OF RENEWABLE ENERGY CREDITS, TO TERMINATE THE AGREEMENT AT ANY TIME.

ALL PROPOSALS WILL BE THE PROPERTY OF NC GREENPOWER. BY SUBMITTING A PROPOSAL YOU HEREBY ASSIGN ALL RIGHTS IN AND TO SUCH PROPOSAL TO NC GREENPOWER.

THE INFORMATION WITHIN THIS BID PROCESS MAY CHANGE OR THE BID PROCESS MAY BE CANCELLED AT ANY TIME AND WITHOUT NOTICE. USE OF THIS INFORMATION CONSTITUTES ACCEPTANCE FOR USE IN AN “AS IS” CONDITION. THERE ARE NO WARRANTIES WITH REGARD TO THIS INFORMATION. IN NO EVENT SHALL NC GREENPOWER BE LIABLE FOR ANY DAMAGES OR COSTS WHATSOEVER ARISING OUT OF OR IN CONNECTION WITH THIS BID PROCESS OR YOUR RESPONSE. ANY USE OF THIS INFORMATION IS AT YOUR OWN RISK.

Attachment: Bid Document

Please provide NC GreenPower with the information requested below in the order that it is presented. **Incomplete Bid Documents will be disregarded and deemed ineligible for consideration by NC GreenPower.**

A. General Information about Company

- Primary contact name
- Primary contact telephone
- Primary contact email(s)
- Company name (if applicable)
- Company principals' names and titles
- Number of years company has operated in the renewable energy generation industry
- Names of any associated and/or parent companies
- Information relating to the company's financial status or viability
- Mailing address
- Physical location of the project (if different from mailing address)

B. Qualifications/Experience

Respondents shall include any relevant qualifications and past experience. Specifically, if a respondent has existing projects relating to a proposed project, these should be detailed.

C. Project Summary

The project summary shall include the following information:

- Renewable energy technology of the project
- Green-e eligibility
- Type of interconnection (sell all or sell excess)
- Project name if applicable
- The nameplate power rating DC (specify kW or MW)
- Anticipated maximum annual energy output (MWh) of the project
- Utility with which the project has/expects to have a Power Purchase Agreement (PPA)
- Date or expected date of PPA
- Estimated online date (MM/DD/YY) that the project will begin (or already has begun) generation to the grid
- Identification and discussion of risk factors that may affect online date
- Expiration date of bid (MM/DD/YY): Date through which the bid is valid and can be considered by NC GreenPower
- Requested agreement terms (number of months or years)
- Project timeline with realistic milestones

- General project description and implementation plan
- Installer name, email and phone (if applicable)
- Status of equipment procurement, any project-required permits or agreements including Certificate of Public Convenience and Necessity, PPA and utility interconnection
- Any additional information that will help the review committee determine the viability of the project (attach additional information if necessary)

D. Financial Information

Respondents shall include financial information regarding the proposed project:

- Anticipated and proposed funding sources (including NC GreenPower) for the project
- Anticipated levels of funding and duration of the funding sources
- If the project can be scaled up or down with a change in funding, please provide that information. (e.g. the project could be expanded and the cost decreased if an additional source of funding could be obtained.)
- Statement of why the REC premium is needed to make the project financially viable. (e.g. it will expand the project in the future, pay down debt associated with the project, and/or pay for expected/unexpected ongoing maintenance and operations.)

E. Generation Supplied/Premium Sought

The respondent shall complete the following table detailing the proposed generation to be supplied to and the premium requested from NC GreenPower. The premium sought shall reflect only the NC GreenPower portion of any revenue from generation by the project. The utility Power Purchase Agreement revenue or other revenue shall not be included here. If the project cost of power production is affected by economies of size or operating level, provide additional tables for the premium sought from NC GreenPower at varying levels.

F. Proposed Generation and Premium Sought by Year for NC GreenPower

Resource	Year 20XX	Year 20XX	Year 20XX	Year 20XX	Year 20XX
<i>Proposed Generation (MWh/year)</i>					
<i>Premium Sought (\$/MWh)</i>					