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## MAINE ENERGY INVESTMENT CORPORATION

April 10, 2006

### **“SolarCents” Sign Up Kit**

If you have –or plan to have – a solar energy system, you know about the environmental benefits of clean electricity. But did you know you can share those benefits with others? And get paid for it?

In New England, the environmental benefits from qualifying renewable systems can be recognized through a mechanism called a “Renewable Energy Certificate” or “REC”. RECs provide a flexible way to support investment in new renewables. RECs have caught on nationally as a way for investors and large “green power” buyers to help build new clean energy systems. Organizations as diverse as the U. S. Air Force, Whole Foods Market, numerous cities, universities<sup>1</sup> and many, many others are now buying green power through the mechanism of RECs.

By selling your RECs, you help keep this “green power” market growing. RECs from PV systems are both desirable and limited in supply. Offering your RECs for sale is a win-win: you get a modest additional return, others get to support the clean air you generate, and interest in voluntary markets for environmental benefits remains strong. MEIC’s goal in this effort is to support these markets and bring more PV systems to fruition in Maine.

This kit provides the information and forms you need to sign up for “SolarCents”. It consists of a Program Overview and Sign up forms. Additional technical notes are available on request if pertinent to you: a) Technical Note on Metering; b) Promotional Considerations for Commercial PV.

Finally, “SolarCents” is new in 2006 and will evolve as needed. We invite your comments and suggestions at any time. Thank you for your interest in solar energy for Maine.

Erika Morgan  
Executive Director

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<sup>1</sup> For a list of major green power buyers see [www.epa.gov/greenpower](http://www.epa.gov/greenpower).

## “SolarCents” Program Overview

“SolarCents” is an offering of the Downeast Solar Co-op, MEIC’s solar education and market development initiative. “SolarCents” reaches out to PV owners –both existing and new. We have researched the requirements applicable to the eligibility of small PV systems for RECs<sup>2</sup> and developed “SolarCents” as a simplified process to enable owners of small Maine PV systems to participate.

Eligible PV system owners will register their PV systems with DSC to participate in “SolarCents”. Each month, participants will record the output of their PV system in a log maintained on-site. Each quarter, participants will provide their monthly meter reading to DSC. DSC will aggregate this output and register the total with the Generator Information System (GIS) maintained for this purpose with the New England Power Pool (NEPOOL). Depending on the volume of output registered with “SolarCents” in any quarter, DSC will seek sales of the total REC volume. When sales are successful, DSC will return to each participant annually their share of the proceeds.

Program highlights:

- Participants may be residential and commercial PV systems<sup>3</sup>. Both net-metered systems (less than 100 kW) and those directly metered (between 100 kW and 5 MW) may participate.
- System owners must have a “utility grade” (also known as “revenue quality”) in place to measure the systems’ total output<sup>4</sup>.
- Participants will record PV output monthly, submit quarterly performance reports and one annual attestation report. In return, they will receive an annual check from MEIC representing their share of the revenue from that year’s REC sales. Have a nice dinner out thanks to your PV system?

## Roles and Requirements: Who Does What?

The benefits of this program will depend upon the number participants. Beyond that, the success of “SolarCents” also depends on the interest of green power buyers – those folks ready, willing and able to support clean electricity by buying RECs from “home-grown” solar systems like those in the “SolarCents” pool.

**Role of Downeast Solar Co-op.** MEIC’s solar education and implementation support efforts are conducted under the auspices of our Downeast Solar Co-op (DSC) program. To provide this aggregation service to PV owners, DSC staff must work on a number of fronts concurrently:

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<sup>2</sup> “Downeast Solar Co-op”: A Feasibility Study -- Final Project Report, MEIC, November 2004.

<sup>3</sup> Other new small-scale renewables may also participate. Call DSC for details.

<sup>4</sup> **Please note:** Fulfilling the metering requirements is a prerequisite to “SolarCents” participation and meters installed by the utility for net metering purposes do *not* meet this requirement. See “Technical Note on Metering” for further guidance.

- Registering eligible PV systems – Each new “SolarCents” participant expands the pool of available RECs and our ability to sell. Tell your PV-owning friends!
- Quality-checking PV performance data – RECs buyers must have confidence that the PV-generated kWh on which “SolarCents” RECs depend has indeed taken place. Data gaps, inconsistencies or other anomalies will be checked. DSC will also conduct random checks of roughly 10% of the on-site log books.
- Aggregating quarterly PV performance data – DSC has opened a trading account in the NEPOOL GIS system. We will post timelines for quarterly reporting to ensure that each quarter’s aggregated total is inclusive and accurate.
- Maintaining relationships with potential REC purchasers – Through its green power activities,<sup>5</sup> MEIC is familiar with many brokers, retailers and other REC buyers with possible interest in “SolarCents” RECs.
- Completing REC sales – By the close of every NEPOOL GIS trading period where “SolarCents” aggregated output meets GIS minimums, DSC will offer to sell the aggregated RECs.<sup>6</sup>
- Rewarding PV owners – When such sales have occurred, DSC will make an annual payment of REC revenue to “SolarCents” participants, based on each participant’s share in each quarter’s DSC aggregated output.<sup>7</sup>

**“SolarCents” Participants Requirements.** DSC has tried to design a program where demands on participants are as simple and low-burden as possible, while still maintaining high standards of performance verification. “SolarCents” participants must maintain and /or provide three reports:

- **Monthly:** On-site log – Record your system performance every month during the “meter reading period”. This period is *first of the month*, within 5 days before to five days after the first. To meet verification standards, please expect that DSC could inspect these logs on a random basis.
- **Quarterly:** System performance report – Each quarter, DSC will provide an email reminder and form on which you will report your system’s quarterly kWh performance. Deadlines are important here – we cannot include for sale any late-submitted RECs.
- **Annually:** Annual Attestation – At the end of the fourth calendar quarter of the “SolarCents” year, you will be asked to download, complete and sign a hard copy form showing your system’s year-long performance.

<sup>5</sup> MEIC also operates “green power”/ clean electricity market development activities under the project titles of “CleanEnergy Maine” ([www.cleanenergymaine.com](http://www.cleanenergymaine.com)) and Maine Green Power Connection ([www.MaineGreenPower.org](http://www.MaineGreenPower.org))

<sup>6</sup> DSC cannot guarantee that a trade will be possible in every trading period. Factors influencing the possibility of a sale include the volume of “SolarCents” RECs available, eligibility of Maine RECs in other jurisdictions; prevailing market prices and demand. While DSC will make every effort to conclude sales in every possible trading period, when trades are not possible, no benefit will accrue to any “SolarCents” participant.

<sup>7</sup> We must also stress that “SolarCents” revenues will not be large! The GIS minimums of 1 MW for sale will require the participation of several PV owning households. Yet, for that 1 MW, representing one quarter’s PV production from several systems, we may earn \$50 or 5c per kWh.

## Getting Started

Getting started in “SolarCents” is easy – simpler than installing your PV system, for sure. There are two steps to getting started; once you’ve signed up, there is little to do!

**Step 1: Call us.** “SolarCents” eligibility rests heavily on the age of your system and the way it is metered. With a few questions by phone, we can advise you how to proceed. For older systems, or those just getting ready to install PV, additional metering guidance is available in our “Technical Note on Metering”, available on request.

**Step 2: Registering your system.** Once the metering requirements have been met, the rest is paperwork. In this kit you will find the “SolarCents” Participation Agreement. It has three parts. Please feel free to call us with questions on any part:

**Part I. System Specifics:** A description of your system: age, size, capacity, etc.

**Part II: System and Metering Verification:** This section requires:

- Photos of your system (from the exterior) and of the metering/inverter equipment.
- Copy of your net billing agreement with your local distribution utility.
- A visual inspection by DSC may be required if there is any question about metering and/or other eligibility requirements.

**Part III: Participation Commitments:** This section lays out the basic terms and conditions of your program participation.

Once we have received your completed Participation Agreement, your system will be considered part of the “SolarCents” pool. Now, sit back and let your PV generate clean, emission-free electricity – it earns you more RECs every day.

**Step 3: Keep recording your system output.** Regular monthly data will ease completion of your quarterly reports, and timely submission of your quarterly reports helps DSC. DSC will keep you posted on reporting and trading deadlines; because of the trading calendar, however, it may be as long as two quarters before your output is included in a trade. In short, realizing revenue from your RECs is not something that happens in a hurry.

More globally, “SolarCents” and other aggregations like it regionally and nationally, both reflect and depend on the growing preference for cleaner, renewable energy systems. While these systems are becoming more and more economic today, RECs have a role to play in increasing the return and support for new renewables. In addition, as more entities take responsibility for the climate-impacts of their personal, corporate and collective actions, RECs are finding their way into more and more products and activities. The increasing availability of this flexible financial tool from clean generators -- even very small ones -- makes it more possible for us all to choose cleaner, safer and more secure ways to meet our energy needs.

Thank you for participating!