

# Feed-In Tariff Workshop

Nelson Lomeli, Program Manager

February 2022

# Getting Started

Who is SDCP? What is a FIT? **Rules & Eligibility Pricing & Bonuses Fees & Deposits Application Process** & Preview

## Who is San Diego Community Power?

### Who is San Diego Community Power?



- Public, not-for-profit provider of cleaner, affordable electricity
- Locally controlled organization
- Competes to provide our customers with more renewable energy



### Who is San Diego Community Power?



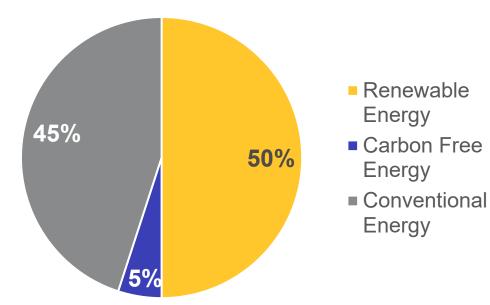


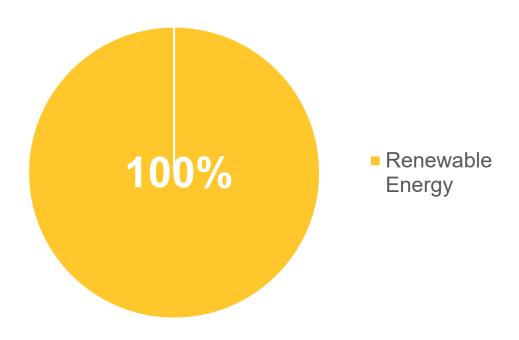


### **Our Service Offering**

**PowerOn (Standard service)** 

**Power100 (Optional service)** 





Upgrade for only \$0.0075 per kWh more



# What is a Feed-In Tariff (FIT)?

### What is a Feed-In Tariff (FIT)?

Allows local developers to sell energy from a small-scale, distributed renewable generating system within our service territory.

Establishes standard, non-negotiable public rules, contract terms, and base price.

SDCP is only the buyer of electricity and does not develop, build, or own the generating systems.

Note: this is not applicable for customers looking to install a generating system, like solar, to reduce your monthly electricity bill. Please refer to our Net Energy Metering (NEM) program.

• Per State laws, cannot participate in FIT and NEM at the same time.

#### First FIT program in the San Diego region!





# Why a Feed-In Tariff (FIT)?

Increases the availability of small, distributed, local renewable generating resources within the San Diego region.

Expands the ability for sites in the built environment that do not have the onsite demand for net metering to host renewable generating systems.

Promotes local economic benefits.

Leverages the huge renewable energy potential in the region and increases amount of renewable energy.

Helps reduce emissions.





All projects applying for SDCP's FIT program must:

- Be a new a resource
- Smaller than 1 MW<sub>AC</sub>
- Physically located entirely within SDCP's service territory
- Interconnected using the distributionlevel interconnection process through SDG&E
  - Interconnection is the sole responsibility of the applicant
  - Draft interconnection agreement or proof of Fast Track Screening must be submitted at the time of application

- Obtain all necessary permits from appropriate jurisdictional agencies
  - Ex: if located within City of San Diego, permitted by City's Development Services.
- Sign SDCP's <u>non-negotiable</u> FIT Power Purchase Agreement ("PPA")
- Sell all electric energy (net of station service) and the environmental attributes (including related Renewable Energy Certificates, or "RECs") to SDCP.



Must qualify and be certified by the California Energy Commission ("CEC") as an Eligible Renewable Energy Resource ("ERR"), including but not limited to the following:

- Biomass or Biodiesel
- Fuel cells using renewable fuels
- Digester gas
- Landfill gas
- Ocean wave/thermal
- Tidal current

- Solar Photovoltaic + Energy Storage
- Solar thermal
- Small hydroelectric
- Municipal solid waste
- Wind
- Geothermal

Please refer to the latest Renewable Portfolio Standard ("RPS") Guidebook for a complete list of eligible technologies.



### **Inclusive and Sustainable Workforce**

All contractors and subcontractors performing work on any SDCP FIT project are <u>required to</u> <u>pay at least the prevailing rate of wages</u> as established by our <u>Inclusive and Sustainable</u> <u>Workforce Policy</u> adopted by SDCP's Board of Directors.

Construction contractors or subcontractors are encouraged to utilize local businesses, local apprenticeship programs, fair compensation practices (including proper assignment of work to crafts that traditionally perform the work), and the use of a skilled and trained workforce.



Pricing & Bonuses

### **Pricing & Bonuses**

### Standard Base Pricing – based on Time-of-Delivery ("TOD")

Goal of the TOD pricing is to incentivize delivery of renewable energy during our peak hours and reduce emissions.

TOD pricing aims to encourage solar + energy storage systems

Time Period	Hours	Price per MWh
Premium Hours	19:00 — 00:00 (7:00 PM – Midnight)	\$120/MWh (\$0.12/kWh)
All Other Hours	00:00 — 18:59 (Midnight – 6:59 PM)	\$60/MWh (\$0.06/kWh)



### **Pricing & Bonuses**

Projects may apply for three "Bonus Incentives", each of an additional \$2.50/MWh, that is added to the base pricing for the first five (5) years of each FIT contract. Projects may qualify for all three bonus incentives.

#### **Local Business**

the applicant and/or prime contractor must have a place of business *(i.e., possesses a business license)* physically headquartered within a member community of SDCP

#### Previously Developed Sites

areas that either contain or have contained structures or were used for parking, loading or storage related to a previous or existing land use other than agricultural grazing or crop production within the last 20 years

#### Sited within a Community of Concern

must be located entirely within a Disadvantaged Community, as defined by CalEnviroScreen 4.0, or within a very low to low access census tract found in the City of San Diego's Climate Equity Index, or as the top 25% scoring areas within the City of Chula Vista's Climate Equity Index



**Fees & Deposits** 

### **Fees & Deposits**

One-time, non-refundable application fee of \$500

### Reservation Security Deposit

**\$5 per kilowatt** (kW) of Proposed Generator Capacity

Due at the time of <u>application</u> <u>submittal</u>.

Retained in full amount by SDCP in the event the Project does not achieve Commercial Operation by the Commercial Operation Date.

Returned once Commercial Operation is achieved on the first payment. **For example:** If you propose a 250-kW system, your total Reservation Security Deposit will be:

250kW x \$5/kW = \$1,250

### **Fees & Deposits**

One-time, non-refundable application fee of \$500

#### Reservation Security Deposit

**\$5 per kilowatt** (kW) of Proposed Generator Capacity

Due at the time of <u>application</u> <u>submittal</u>.

Retained in full amount by SDCP in the event the Project does not achieve Commercial Operation by the Commercial Operation Date.

Returned once Commercial Operation is achieved, on the first payment.

SAN DIEGO

#### Development Security Deposit

**\$5 per kilowatt** (kW) of Proposed Generator Capacity

Due at the time of <u>contract</u> <u>execution</u>.

Retained in full amount by SDCP in the event the Project does not achieve Commercial Operation by the Commercial Operation Date

Returned once Commercial Operation is achieved, on the first payment.

### Performance Security Deposit

**\$10 per kilowatt** (kW) of Proposed Generator Capacity

Due at the <u>Commercial</u> <u>Operation Date</u>.

Retained in full amount by SDCP for the Term of the contract

Returned once the Term is completed, on the last payment.

- SDCP will start accepting applications by 12:00 PM (noon) on Monday, February 14, 2022.
  - Limit to one application per applicant per month
- Applications are accepted on a first-come, first-served basis until program capacity of 6 MW is reached.
  - Once capacity reached, applications will be added to a FIT queue
- Interconnection supplemental review must be complete (*i.e., a tendered Interconnection Agreement must be in place*) and proof of application for permits must be submitted at the time of application
- All applications must be submitted online using the SDCP FIT Application hosted on JotForm
- The application allows you to select between two payment methods for the Application Fee and Reservation Security Deposit:
  - Automated Clearing House ("ACH") transfer; and
  - Physical checks



- If ACH transfer is selected, SDCP will contact the applicant within two (2) business days with transfer information.
- If physical check is selected, please make them out to San Diego Community Power and send via mail to our P.O. Box.
- Applications will not be considered "Complete" until the fee and deposit are paid.
- Once payment is received, you will be notified by email when your application changes to "Complete" status and SDCP will review the application within 20 business days.
  - SDCP may be provided an opportunity to correct/address minor errors and/or deficiencies, at our sole discretion.
  - Incomplete applications will be rejected and returned to applicant with no further processing.
- Once an application has been approved by SDCP, you will be notified via email and assigned a FIT Record Number.



- Once a FIT Record Number is assigned, a member of our Power Service team will reach out with a complete Power Purchase Agreement ("PPA") ready for execution.
  - Please remember: FIT PPAs are standard and <u>non-negotiable.</u>
  - SDCP may consider minor corrective changes.
- FIT PPAs have a Delivery Term of ten (10), fifteen (15) or twenty (20) years beginning from the Commercial Operation Date. Please select the preferred Delivery Term during the application process.



## **Application Preview**



#### **Feed-In Tariff Application**

To apply for SDCP's Feed-In Tariff (FIT) program, complete this application.

#### By completing and submitting this application, applicants agree to:

1) pursue the construction and operation of a new (not yet delivering electricity to the grid) source of renewable electricity;

2) review, understand and abide by all of the terms and conditions identified in the San Diego Community Power (SDCP) Feed-in Tariff Program (Feed-In Tariff and Power Purchase Agreement) adopted on January 28, 2021 and revised December 16, 2021;

3) pay the required fees and deposits;

4) Review <u>SDCP's Inclusive and Sustainable Workforce Policy</u> to ensure compliance, and

5) immediately notify SDCP in the event any of the information provided in this application changes or ceases to be correct.



#### **Applicant Information**

Applicant Company Name \*

Applicant Form of Business \*

Applicant State of Organization \*

0

Please Select

State

Applicant's Address \*

Street Address

Street Address Line 2





Applicant's Mailing Address (if different)	Street Address		
	Street Address Line 2		
		Please Select >	
	City	State	
	Zip Code		
Applicant's Point of Contact's Name *	First Name     Last Name		
Applicant's Title *			
Applicant's E-mail *	ex: myname@example.c	com	
	Confirm Email		
Applicant's Phone Number *	Area Code Phone Number	r	
If applicant is a company rather than an individual, briefly describe the ownership structure of the company, including full legal name and valid phone number of all principals *			



### **Eligible Resource Information**

(Note: Eligible Resource Must Be Located within SDCP's service territory)

Project (Facility) Name *	
Project Address *	
_	Street Address
	Street Address Line 2
	City
	Zip Code
Parcel Number *	
Permitting	
Agency/Jurisdiction *	
Renewable Resource Type (Fuel Source) *	Solar Photovoltaic 🗢
Proposed Generator C	apacity in kW (at point of delivery) *
ex: 10 k)	



Will the eligible resource include energy storage systems (e.g., battery storage) \*

O Yes

O No

#### Expected Commercial Operation Date \*

mm-dd-yyyy	
Date	

Delivery Term Option beginning from the Commercial Operation Date \*

- O 10 Years
- O 15 Years
- O 20 Years

Is there SDCP/SDG&E service at this address? \*

- O YES
- O NO

If yes, enter the SDG&E Account #

ex: 123456789(



Site Control. Briefly describe the site control for this project (lease, direct ownership or other): \*

Type here...

Evidence of site control throughout the Delivery Term of the Power Purchase Agreement ("PPA") and form of site control \*

Browse Files

Financial Plan. Briefly describe your intended financing plan for the referenced generator. Identify prospective partners and intended share of ownership assigned to each. \*

Type here...

Expected Annual Energy Output in kWh \*

ex: 10 kWh

Feed-in Tariff Generation Forecast \*

Browse Files



#### **Bonus Incentive Information**

Select the bonuses for which you are applying and will document

Local Business

- Previously Developed Site
- Sited w/in Disadvantaged Community

Local Business: To qualify for the Local Business bonus, applicants must utilize a project developer and/or prime contractor which is headquartered within a member community of SDCP. If this bonus is desired, please list such entities, including related business addresses and business license numbers.

Type here...

Previously Developed Sites: If applicable, briefly describe the location where the generator will be installed

Type here...



Sited within a Community of Concern: To qualify for this bonus, applicants must consult either the City of San Diego's Climate Equity Index (CEI), City of Chula Vista's Climate Equity Index (CEI) or the CalEnviroScreen Disadvantaged

#### Interconnection

#### **Generator Interconnection (SDG&E)**

As the organization responsible for distribution system planning, maintenance and safety, SDG&E will be your primary point of contact for all matters related to generator interconnection. Feed-in Tariff applicants will work directly with SDG&E during the generator interconnection process. Applicants should access SDG&E's website for additional information regarding this process:

#### **Description of Physical Interconnection Point** \*

Type here...

Anticipated Interconnection Agreement Execution Date \*



Date



Briefly describe your progress and timeline for completing SDG&E's Generator Interconnection Process \*

Type here...

Tendered (draft) Interconnection Agreement or evidence project has passed Fast Track screening \*

Browse Files



### Application Fee & Reservation Security Deposit

I acknowledge and agree that my Feed-In Tariff application will not be considered complete until SDCP receives and deposits the non-refundable Application Fee of \$500.00 and the Reservation Security Deposit of \$5 per kilowatt (kW) of proposed generator system size. Payments can be made via two options. Please select your prefer method of payment below. \*

Automated Clearing House ("ACH") Transfer (Fastest)

) Physical check sent via mail

#### **Important Notes:**

If you selected ACH Transfer, SDCP staff will contact you via email to complete payment.

If you selected Physical checks, please send them via mail to:

San Diego Community Power Attn: Feed-In Tariff PO BOX 12716 San Diego, CA 92112 Confirmation of application receipt will be delivered by email along with a submission ID. Following completeness review and approval of the application, SDCP will assign an SDCP staff member and FIT Record Number. For any questions regarding this application or SDCP's Feed-in Tariff Program, please contact us at info@sdcommunitypower.org.

By submission of this Feed-in Tariff Application, I acknowledge that I have reviewed and accept SDCP's FIT Program Application Terms & Conditions and SDCP's FIT Schedule. \*

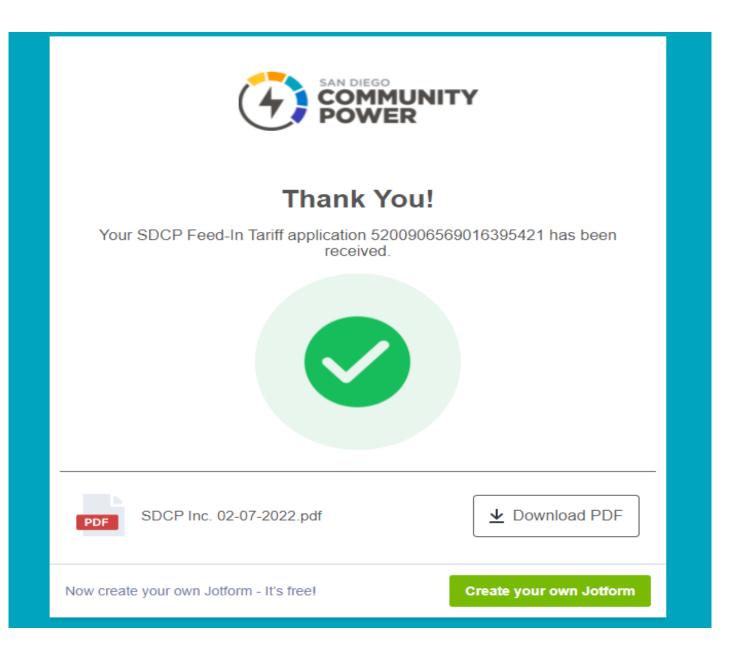
Clear





Submit







Sent: To: Subject: Monday, February 7, 2022 3:32 PM Nelson Lomeli (TEST) Confirmation of {form\_title} Submission {id}



Thank you for submitting your application to San Diego Community Power's Feed-In Tariff program. We have received your application. Below is a copy of the information you submitted. We will reach out to you within two (2) business days to collect payment and will review for completeness within 20 business days.

Sincerely,

- Your local SDCP team

🔧 {form_title}	
Applicant Company Name	{applicantCompany}
Applicant Form of Business	{applicantForm}
Applicant State of Organization	{applicantState}
Applicant's Address	{applicantsAddress}
Applicant's Mailing Address (if different)	{applicantsMailing36}
Applicant's Point of Contact's Name	{applicantsPoint}
Applicant's Title	{applicantsTitle}
Applicant's E-mail	{applicantsEmail}
Applicant's Phone Number	{applicantsPhone}
If applicant is a company rather than an individual, briefly describe the ownership structure of the company, including full legal name and valid phone number of all	{ifApplicant}





# Questions?



# Thank You

Applications open Monday, February 14, 2022.

Nelson Lomeli, Program Manager E: <u>nlomeli@sdcommunitypower.org</u>

Visit us at <u>sdcommunitypower.org</u> **f i @ i @ SDCommunityPwr**