



Feed-in Tariffs: The Right FIT for the Southeast?

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Feed-in Tariff (FIT) - A publicly available, legal document, mandated by law or rule, which obligates a utility to purchase electricity from an eligible seller at specified prices, which are set sufficiently high to attract technology deployment, for a specified duration. This entitles the seller to sell to the utility without needing to obtain additional regulatory permission

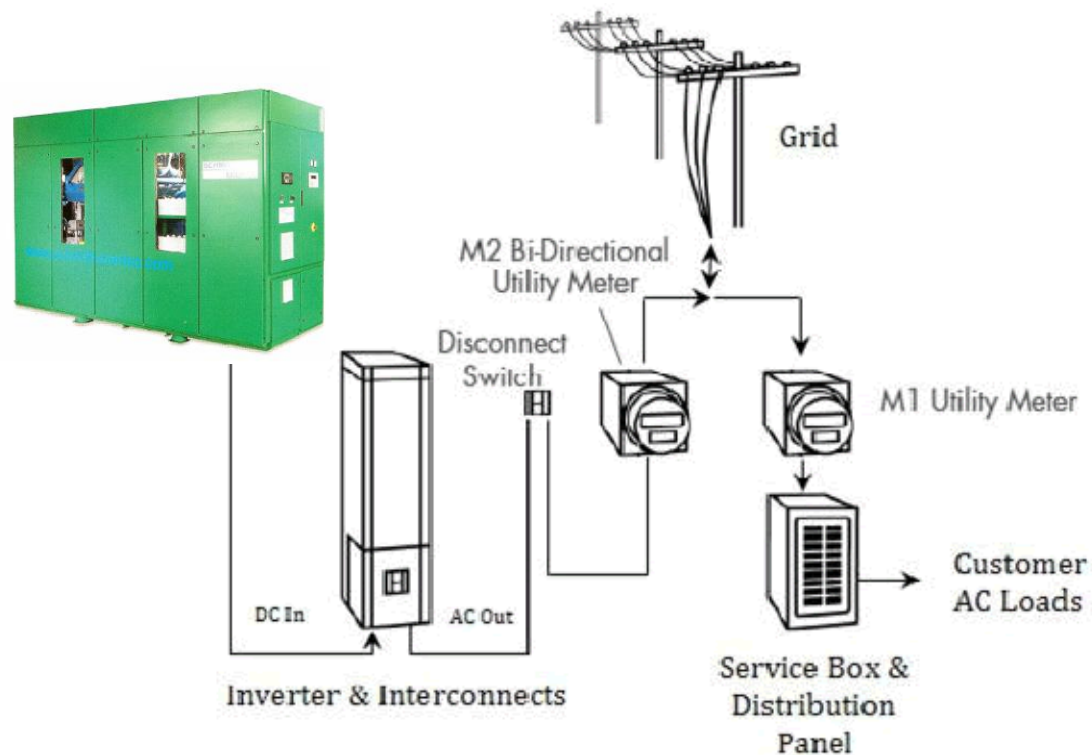
Why are Feed-in Tariffs so trendy these days?

- European models have proven the FIT's ability to drive demand for technology deployment
- Rebates, tax credits and other incentives are costly to state budgets and fill up quickly (FIT's are more certain and reduce financial risk)
- Supports longer term investments, can jump-start emerging technologies

However...

- FIT's entail a REC purchase so system owners cannot legally claim to be powered from renewable or CHP sources
- Risk of over-funding (Spanish lesson)
- FERC Jurisdictional element can be problematic

Meter Configuration



State Examples

- California
- Vermont (SPEED program)
- Others are working on it (OR, HI, NV, WI etc...)



Voluntary Utility FITs

- Sacramento Municipal Utility District
 - Allowed CHP as an eligible technology
 - filled up in a week
- Wisconsin programs
 - WE Energies, Excel, Alliant, Madison Gas and Electric, River Falls Municipal Utilities, all offer FIT-like programs
- Gainesville Regional Utilities

FIT's little brothers: Other Production Incentives in the Southeast

- NC Greenpower
 - Solar: \$0.15/kWh from the program + ~\$0.04/kWh from their utility
 - Small Wind: \$0.09/kWh from the program, + ~ \$0.04/kWh
- TVA Generation Partners
 - Solar: \$0.12 per kilowatt-hour + retail rate
 - \$0.03 per kilowatt-hour + retail rate for wind, low-impact hydro, and biomass
 - \$1000 up-front bonus payment
 - Payment on monthly utility bill





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Thanks!

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