

Proposed Changes to Electric Ordinance Solar Feed-In-Tariff Program

November 20, 2008

Solar Feed In Tariff Program

- Modeled After successful German program
 - GRU purchases solar photovoltaic energy output
 - A fixed price for 20 years
 - Price set assures competitive returns on investment for system owner
 - Tariff rate decreases in future (degression)
- Expected to Greatly Accelerate Solar Deployment and Foster Innovative Investment Models
- Will continue to offer Net Metering for Residential Customers
- Benefits for GRU
 - Price is set equal to levelized NPV of rebate, net metering, and most favorable electric price growth
 - Pays for performance
 - Other revenue and tax protection benefits
 - GRU Reserves the right to limit new installed capacity to 20 MW/yr
- First Utility in USA to Adopt This Model

Solar Feed-in-Tariff Program

(cont'd)

Installation Year (Calendar Year)	Fixed Payment per kWh (\$/kWh) Over 20-Year Life of Contract		
	Building Mount - System Size		Free Standing – Greenfield or Brown Field - All System Sizes
	<100kw	>100kw	
2009	\$0.26	\$0.25	\$0.21
2010	\$0.26	\$0.25	\$0.21
2011	\$0.25	\$0.23	\$0.20
2012	\$0.23	\$0.22	\$0.19
2013	\$0.22	\$0.21	\$0.18
2014	\$0.21	\$0.20	\$0.17
2015	\$0.20	\$0.19	\$0.16
2016	\$0.19	\$0.18	\$0.15

Recommendation

- The City Commission direct the City Attorney to draft and the Clerk to advertise, ordinance to adopt the Solar Feed-in-Tariff as proposed by staff.