



Renewable Energy Standard Offer

Contract Overview

Version: 5.0

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This document provides a general overview of the **customer-owned Renewable Energy Generation Standard Offer Contract**, for the purchase of renewable energy. Please note that the Overview does not contain the full details of the Renewable Energy Standard Offer Contract and is not binding on GRENLEC. Further, GRENLEC may change, modify, amend, or update the Renewable Standard Offer at any time and without notice. While GRENLEC will endeavor to keep this Overview current, GRENLEC cannot guarantee its accuracy or completeness.

Please refer to the **Renewable Energy Standard Offer Contracts** and the **Distributed Generation Interconnection Policy** for the most up-to-date and binding terms and conditions. Capitalized terms used in this overview that are not defined within have the meanings given in the Distributed Generation Interconnection Policy.

Introduction

GRENLEC wishes to increase the amount of renewable energy that is generated by customer owned facilities on its system. The Renewable Energy Standard Offer Contracts for purchase of electricity generated by customer owned renewable energy facilities is designed to help achieve this goal. The Renewable Energy Standard Offer Contract is designed for customers who wish to install renewable energy generating facilities with an installed nameplate capacity of 100 kilowatts (kW) AC or less per customer location.

The Renewable Energy Standard Offer Contract has been designed in response to Customer input using guidance from GRENLEC's Board of Directors concerning the terms by which GRENLEC may purchase renewable energy. All of the renewable power generating technologies including solar, wind, biomass gasification, and other mature renewable technologies are contemplated under this program.

The current offer is comprised of two blocks - a 300 kW (AC) block for systems with capacity up to 30kW (AC) and a 700kW block for systems with capacity up to 100kW (AC) each. Review of quantity caps and pricing will occur at least annually, and when a quantity blocks are fully subscribed.

This overview is intended to provide:

- Potential renewable project applicants with a simplified version of the Renewable Energy Standard Offer Contract
- An overview for developing a customer-owned renewable energy installation under the Renewable Energy Standard Offer Contract.
- Guidance in preparing for the application process.

The Renewable Energy Standard Offer application instructions are included in the GRENLEC Interconnection Application Policy and will guide applicants through the process for completing and submitting an application form.

The customer will be paid a fixed price for all of the energy produced and received from their RE facility for the duration of the contract.

Before undertaking the purchase and installation of a renewable energy generating system, applicants should investigate all of the requirements for owning and operating such a facility, including government permits, assessing income and property tax impacts, and costs.

Consulting with experienced professionals prior to making such a significant investment is strongly advised.

Section 1 Standard Offer Details

1.1 Renewable Energy Standard Offer Criteria

1.1.1 Eligibility Requirements

What projects are eligible to apply for a Renewable Standard Offer contract?

The Renewable Energy Standard Offer is open to customer owned installations with a nameplate capacity of 100 kW (AC) or less.

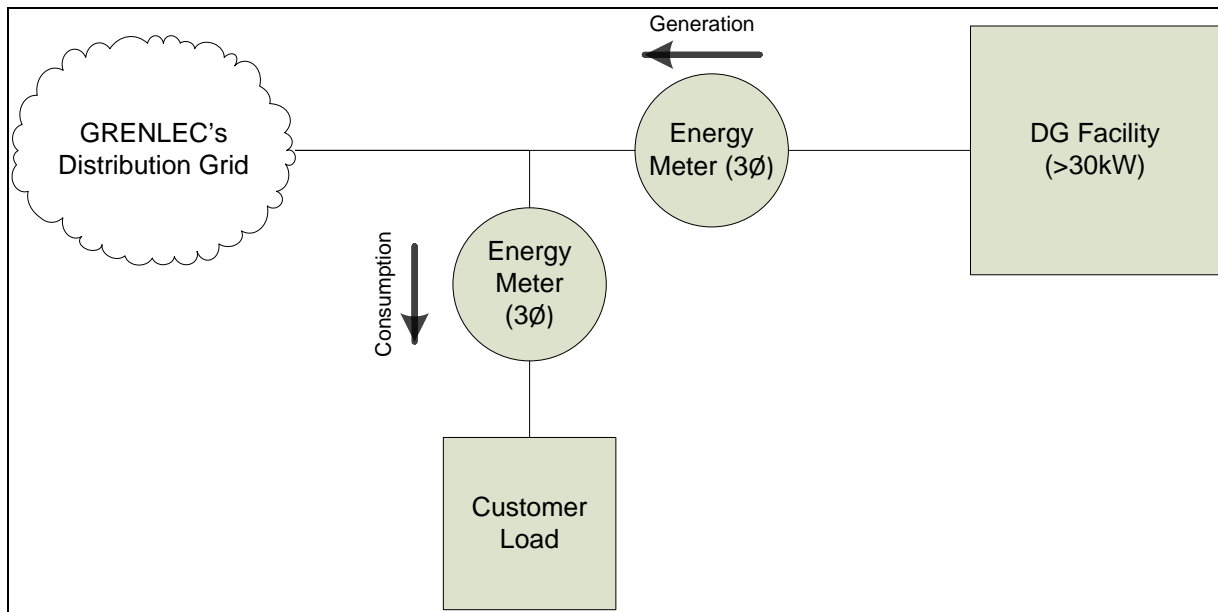
Qualifying renewable energy sources include:

- Solar
- Wind
- Qualified Biomass resources
- Hydrokinetic

Qualified Biomass includes solid, liquid, or gaseous forms of renewable biomass from the following: a) All wood waste including “black liquor” from pulp and paper processing, mill residues, industrial waste wood, and waste wood from woodworking or wood-processing, as long as the wood is not chemically treated or coated; b) All agricultural crops or waste; c) All animal and other organic waste; d) All energy crops; and e) Landfill gas and wastewater methane.

1.1.2 Interconnection Configuration

Interconnection of customer RE facility under this standard offer will be via a ‘Net Billing’ (buy all, sell all) configuration illustrated in the figure below. In this configuration, two meters are installed. One meter registers all the energy generated by the customers RE facility while the other registers all the energy consumed by the Customer. GRENLEC will purchase all the energy received from the DG facility while the Customer will pay for all their energy consumed by their facility at the regular utility rate.



1.1.3 Pricing and Price Schedule

Fixed Ten Year Power Price: The customer agrees to receive or be credited at a fixed price of \$EC 0.36 per kWh of electricity received from the Customer’s facility for the duration of this agreement.

1.1.4 Contract Length

Contract duration will be 10 years. GRENLEC reserves the right to change the duration of the contract at any time; however, these modifications will not affect any executed Renewable Energy Standard Offer Contracts.

1.1.5 Program Review

GRENLEC intends to review and amend, as necessary, the Renewable Energy Standard Offer Contract, Renewable Energy Standard Offer Contract Guidelines, and price schedule at regular intervals. Notwithstanding an annual review, GRENLEC may also, at any time, make changes to the Renewable Energy Standard Offer Contract including substantial changes to or a suspension or termination of the offer, the Renewable Energy Standard Contract Offer Guidelines, the form

of the Renewable Energy Standard Offer Contract, or the price schedule. Amendments outside of the annual review may be in response to changes in laws and regulations, significant changes in market conditions, or other circumstances as required.

1.2 Fees and Security

The following payments are due to GRENLEC at various stages of the application and contract processes. The table below summarizes the various applicable fees.

Item	Fee
Application Fee	EC\$150 + vat
System Impact Study Fee (Required for systems of capacity greater than 30kW (AC))	EC\$3000 + vat
System Impact Mitigation/Upgrade Cost	As required
Performance Assurance Fee	Waived
Connection Fees	Single phase: EC\$100 + vat Three phase: EC\$350 + vat
Meter Relocation Fee	Single phase: EC\$60 + vat Three phase: EC\$60 + vat
Contribution to Metering Cost	Current price Single phase: EC\$400.00 (approximately) Three phase: EC\$1,900.00 (approximately)

The payments must be received by GRENLEC prior to the Agreement entering into effect.

1.3 Interconnection Availability

All interested applicants are encouraged to consult with GRENLEC to determine the likelihood that their project can be interconnected consistent with the desired timeline. Applicants are responsible for all interconnection costs, including system impact studies, metering, system upgrades and expansions, and operating and maintenance for facilities used in interconnection.

1.4 Environmental Review and Acceptability

Applicants are urged to consult with the Physical Planning Unit of the Ministry of Works regarding compliance procedures prior to submitting an application to determine the likelihood that their project can be reviewed for environmental acceptability consistent with the desired timeline. Applicants are responsible for all costs associated with the conduct of, and preparation of documentation for, the appropriate level of environmental review.

Section 2 Submitting an Application for Interconnection

Applications, along with instructions, are available on GRENLEC's website (www.grenlec.com), via mail request through Renewable Standard Offer, P.O. Box 381, Dusty Highway, St. Georges, Grenada, or via email request at customersupport@grenlec.com.

An application package must include the following:

- One signed copy of the completed application form
- Electrical one-line drawing (including proposed earthing)
- Inverter and other equipment specification sheet
- Inverter or other applicable test certificate(s)
- Application fee

Upon determination by GRENLEC that an interconnection meets the application eligibility requirements of the Renewable Energy Standard Offer, the application will be assigned a date stamp and reference number. All applications will be processed in order of the date stamped, i.e., the order in which they were received.

GRENLEC may request clarification or additional information on a specific application. Applicants shall provide the additional information within ten (10) business days of request. Incomplete applications will be rejected. However, the applicant can re-apply once the application form is properly completed. This will be considered a new application and therefore will be assigned a new date stamp.

Applicants need to be aware that they are solely responsible for ensuring the technical, regulatory, and financial viability of their projects, and that GRENLEC has no responsibility whatsoever to independently assess the viability of any application or project, nor any liability whatsoever in the event that a project turns out not to be viable in any respect. A decision by GRENLEC to accept or reject an application will be final and binding and not subject to appeal. Submission and acceptance of an application does not create any binding obligation between GRENLEC and the applicant. The Renewable Energy Standard Offer Contract is the only document that creates a legal obligation between the two parties.

Section 3 Contract and Milestones

3.1 Contract Issuance and Acceptance

GRENLEC will notify applicants by issuance of a letter of approval once it has been determined that an Application has met the Renewable Standard Offer requirements and that the Project will not exceed the technology-specific block capacity.

3.2 Renewable Energy Standard Offer Contracts

The Renewable Energy Standard Offer Contract defines standard terms, conditions and exhibits; and shall be used as a binding document going forward. A simplified form of this contract is applicable for installations with capacities of 30kW (AC) or less, while a more detailed version is applicable for installations greater than 30kW (AC). Copies of these contracts, in their accepted form, are posted on the GRENLEC website as part of the application forms. Applicants should review the Renewable Standard Offer Contract prior to making an Application.

3.3 Execution of Contract

Applicants have twelve (12) months from the granting of the approval to enter into production; otherwise, GRENLEC may terminate the Renewable Standard Offer Contract. In order to enter into service, the applicant must:

- present certificate showing that their installation passed the Government's electrical inspection and received the applicable permits;
- execute any necessary interconnection agreements with GRENLEC;
- make payment in full for the costs of any upgrades needed to GRENLEC's grid to accommodate their facility;

GRENLEC will issue permission to interconnect, if all of these items are present and deemed satisfactory.

If any of these items is missing, GRENLEC may terminate the Renewable Standard Offer Contract, or defer its decision in accordance with the terms of the Renewable Standard Offer Contract.

3.4 Initial Delivery Date

The Initial Delivery Date is determined by completion or satisfaction of the conditions defined in Section 3.3 and demonstration that the project is capable of generating and delivering energy output to the Delivery Point in a consistent and reliable manner. The Initial Delivery Date must be within one year after the receipt of the Notice to Proceed. Failure to achieve this milestone may result in termination of the Renewable Energy Standard Offer Contract.

Section 4 For More Information

If you have questions about the Renewable Energy Standard Offer for the purchase of renewable energy, please contact us.

Grenada Electricity Services, Ltd.

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