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STATE OF NORTH CAROLINA

COUNTY OF WAKE

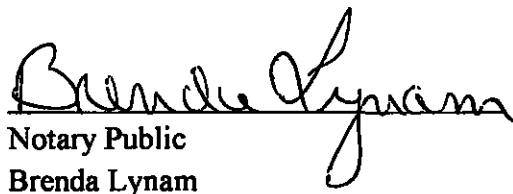
David Beam, having been first duly sworn, deposes and says:

1. That he is Senior Vice President of GreenCo Solutions, Inc. and that he has read the 2011 REPS Compliance Plan and 2010 REPS Compliance Report filed on behalf of its members on September 19, 2011, and knows the contents thereof, and
2. The matters stated in the Report are true, except as to those matters that are stated therein on information and belief, and, as to those matters, he believes them to be true.



David Beam
Senior Vice President

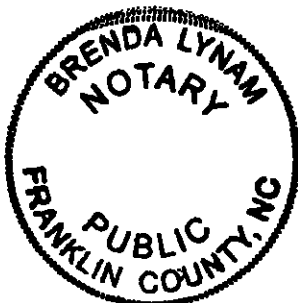
Sworn to and subscribed before me
this 19th day of September, 2011.



Notary Public
Brenda Lynam

My Commission Expires: 11/18/2013

[SEAL]



GreenCo Solutions, Inc.

**Renewable Energy &
Energy Efficiency Portfolio Standard**

**2011 Compliance Plan
and
2010 Compliance Report**

DOCKET NO. E-100, SUB 131

GreenCo Solutions, Inc.
Renewable Energy &
Energy Efficiency Portfolio Standard
2011 Compliance Plan
and
2010 Compliance Report

Introduction

As required by Rule R8-67, GreenCo Solutions, Inc. ("GreenCo") hereby submits its plan ("Plan") for complying with G.S. 62-133.8 (b), (c), (d), (e) and (f) and its report ("Report") describing efforts undertaken in compliance with the same sections of the North Carolina General Statute. The Plan covers the calendar years 2011, 2012, and 2013, and the Report covers the calendar year 2010.

Rule R8-67(b) Compliance Plan

- (i) Description of Planned Actions to Comply with G.S. 62-133.8 (c), (d), (e), and (f)

The GreenCo member-cooperatives intend to utilize energy savings realized from the implementation of 11 energy efficiency programs approved by the NCUC in Docket No. EC-83, Sub 0, for compliance with G.S. 62-133.8 (c). GreenCo plans to evaluate the potential of other energy efficiency initiatives to provide energy savings that could be utilized for compliance. If any of the initiatives show potential for compliance with the REPS, GreenCo may submit them to the NCUC for program approval. GreenCo, in concert with its members and their wholesale power providers, also will continue to evaluate DSM programs, including smart grid applications, for their potential to provide energy savings.

GreenCo filed Comments in Response to the Commission's Order Requesting Comments on Measurement and Verification of Reduced Energy Consumption issued on August 24, 2010. There, GreenCo proposed that before seeking REPS credit for EE Energy savings, it would submit a measurement and verification ("M&V") methodology for each applicable program in the prior year's Compliance Plan. Accordingly, GreenCo will propose its M&V methodology in the September 2012 filing for those programs that will provide Energy Efficiency Credits (EECs) that could be retired in 2013 for compliance with the 2012 obligations. GreenCo will use standard industry-accepted

evaluation methodologies as well as published reports on previous M&V studies to measure the reduced energy consumption resulting from the implementation of its approved energy efficiency programs.

G.S. 62-133.8 (c) (2) (c) allows cooperative power suppliers to meet up to 30% of their annual REPS obligations with electric power purchased from hydroelectric power facilities, including their allocation of power marketed by the Southeastern Power Administration (SEPA). GreenCo member cooperatives that receive SEPA allocations will use them to meet REPS requirements. In calendar years where those SEPA allocations exceed any member cooperative's 30% limitation, the Renewable Energy Certificates (RECs) will be used as credit towards the member's REPS requirements in future years. For those member cooperatives without SEPA allocations, GreenCo may arrange for purchase of RECs from hydroelectric sources where such opportunities arise and are cost effective.

GreenCo will continue to work with the applicable state electric power suppliers to meet the set-aside poultry waste and swine waste REPS obligations. Since late 2010, GreenCo has executed REC purchase agreements with four (4) developers of swine-waste to energy projects which, if performed as represented, would permit the power suppliers' compliance with applicable requirements through 2014. Due to failure of one developer to meet project milestones, there is some uncertainty as to whether sufficient generation will be available for compliance in 2012. However, GreenCo anticipates that with all four of the projects in full operation it will meet its share of the swine waste REPS obligation in 2013 and 2014. GreenCo (and the other power suppliers) will apprise the Commission as to the status of the one swine project currently experiencing difficulty, and the likely impact on 2012 compliance, as that project develops.

GreenCo and most of the other power suppliers in the state, per Commission authorization, conducted an RFP to identify poultry waste to energy projects that could meet the set-aside poultry requirements. After considering a number of submissions, taking into account such factors as cost and risk, GreenCo and the other power suppliers selected one bidder for development of a project that, if completed as represented, would generate sufficient energy (and resulting RECs) to satisfy the requirements of each RFP participant. Currently, GreenCo and most of the original RFP participants are in the final stages of negotiations with that developer. The on-line date of the proposed poultry waste to energy facility selected by the RFP participants is not known at this time, but GreenCo (and the remaining RFP participants) will apprise the Commission as further details become available.

GreenCo has secured adequate resources to meet the solar set-aside obligation for the years included in this Plan. The solar projects, currently under contract, range in capacity from approximately 3 kW up to 1 MW. GreenCo has also entered into a REC purchase agreement with the owner of a 5 MW solar facility that is expected to be completed in late 2011.

As opportunities arise, GreenCo considers projects from renewable energy resources such as biomass, landfill gas, and wind that are located in North Carolina. GreenCo has acquired RECs produced at an in-state biomass renewable energy facility. These RECs will meet a significant portion of GreenCo members' in-state, non set-aside, renewable energy requirements.

GreenCo will evaluate the use of RECs produced by out-of-state renewable energy facilities, subject to the 25% limitation on out-of-state resources, for REPS compliance. At the time of the writing of the Plan, GreenCo has purchased wind RECs from projects in the Midwest and solar RECs from a California project. To the extent that additional out-of-state RECs are economical, GreenCo will utilize them for REPS compliance.

A list of the GreenCo member-cooperatives can be found in Appendix 1. The REPS obligations of Mecklenburg Electric Cooperative (Mecklenburg), headquartered in Chase, Virginia, as well as the REPS obligations of Broad River Electric Cooperative (Broad River), headquartered in Gaffney, South Carolina, are included in this Plan.

Subject to the spending limits of the REPS statute, GreenCo will retire a sufficient quantity of RECs in each year covered by this Plan to meet the REPS obligations of Mecklenburg and Broad River. Mecklenburg and Broad River will not utilize savings from energy efficiency programs to meet its REPS compliance obligations. Broad River will utilize its allocation of SEPA resources to meet up to 30% of its REPS obligations.

The REPS requirements for Mecklenburg and Broad River during the time period covered by this Plan are shown in the tables below.

Mecklenburg NC REPS Obligation



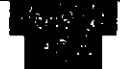
	Projected NC Retail Sales (MWh)	Solar Requirement (RECs)	Swine Waste Requirement (RECs)	Poultry Waste Requirement (RECs)	General Requirement (RECs)
2011	1,642	1			
2012	1,658	2	2	2	50
2013	1,675	2	2	8	50

Broad River NC REPS Obligation

	Projected NC Retail Sales (MWh)	Solar Requirement (RECs)	Swine Waste Requirement (RECs)	Poultry Waste Requirement (RECs)	General Requirement (RECs)
2011	6,396	2			
2012	6,459	4	4	6	193
2013	6,524	4	4	26	196

(ii) List of Executed Contracts to Purchase RECs

Name	Type of Resource	NCUC Registration	Expected MWh	Contract Duration
QVC, Inc.	Solar	SP-362 Sub 1		Starting 11-17-2008 for 10 years
Pickard's Meadow Solar Farm, LLC	Solar	SP-697 Sub 0		Starting 5-10-2010 for 20 years
Chapel Hill Tire Company, Inc.	Solar	SP-523 Sub 1		Starting 5-11-2010 for 20 years
Arden Solar, LLC	Solar	SP-520 Sub 1		Starting 11-3-2009 for 20 years
Solar Star North Carolina II, LLC	Solar	SP-702 Sub 1		Expected on line in mid 2011 for 20 years
Story Wind, LLC	Wind	EMP-30 Sub 0		Starting 11-7-2008 for 10 years
Hamlin Energy Solutions, LLC	Solar	SP-294 Sub 0		Starting 3-28-2008 for 5 years
Megawatt Solar, Inc.	Solar	SP-211 Sub 2		Starting 9-28-2009 for 5 years
REC purchases from out-of-state facilities	Solar & Wind	EMP 29 Sub 0, EMP-30 Sub 0, Others Pending		One-time, non-recurring REC purchase
Cardinal Energy	Hydro	SP-4 Sub 4, SP-3 Sub 2, SP-460 Sub 0, SP-781 Sub 0, SP-6 Sub 1		One-time, non-recurring REC purchase
Residential Systems	Solar	SP-596 Sub 0, SP-615 Sub 0, SP-588 Sub 0, SP-595-Sub 0		2010 only
Bend of Ivy Lodge	Solar	SP-634 Sub 1		2010 only
Elevated Expectations LLC	Solar	SP-618 Sub 0		Starting 11-2009 for 10 years
Landfair Farms Inc.	Solar	SP-404 Sub 0		Starting 2-2009 for 10 years
Madison County Board of Education (Middle School)	Wind	SP-432 Sub 1		Starting 7-2009 for 2 years

Madison County Board of Education (High School)	Wind	SP-432 Sub 2		Starting 6-2009 for 2 years
Capitola Hydro Plant	Hydro	EC-46 Sub 32		No contract; project owned by a cooperative
International Paper Company	Biomass	SP-411 Sub 0		One-time, non-recurring REC purchase

(iii) **List of Planned or Implemented Energy Efficiency Measures**

On January 29, 2010, GreenCo submitted 11 energy efficiency programs for approval by the NCUC (Docket No. EC-83, Sub 0). The Commission subsequently approved all 11 programs in its Order dated May 17, 2010. These programs are described below. GreenCo member-cooperatives may implement any or all of these energy efficiency programs described below and use the energy savings for REPS compliance. The GreenCo member-cooperatives independently decide which programs they will implement. Anticipated participation levels are reported to GreenCo by each member-cooperative. GreenCo, in turn, compiles the data and reports it in the REPS Compliance Plan and the REPS Compliance Report on an aggregate basis on behalf of its member-cooperatives.

Mecklenburg and Broad River currently do not plan to utilize energy savings from these or any other energy efficiency programs for REPS compliance during the time period covered by this Plan.

Agricultural Energy Efficiency

This program is designed to promote efficiency of lighting, ventilation and irrigation for farming operations. The program will focus on replacing incandescent lighting with compact fluorescent lamps ("CFL"), LED lighting and other efficient lighting technology. Ventilation and irrigation improvements and upgrades will be assessed.

Commercial Energy Efficiency

This program is designed to promote energy efficient lighting in the commercial class. The program will focus on replacing incandescent lighting with CFLs, LED lighting and other efficient lighting technology.

Commercial New Construction

This program is designed to promote the consideration of energy efficient building design for construction of new commercial buildings.

Community Efficiency Campaign

This program is designed to promote the installation of energy efficiency measures to increase the thermal efficiency of a home's building envelope. The program is designed to target residential communities in an effort to maximize participation and contractor efficiency.

Community Efficiency Campaign (Low Income)

This program is designed to promote the installation of measures designed to increase the thermal efficiency of a home's building envelope. The program is designed to target low income residents.

Energy Cost Monitor

This program is designed to promote energy consumption awareness among residential member-consumers. The program will focus on providing residential member-consumers with energy consumption information, with the intended result being a reduction in household energy use.

Energy Star Appliances

This program is designed to promote energy efficient appliances in residences. The program will focus on replacing used appliances with more efficient Energy Star appliances.

Energy Star New Home Construction

This program is designed to promote energy efficient new home construction.

Energy Star Lighting

This program is designed to promote energy efficient lighting in residences. Initially, the program will focus on replacing incandescent lighting with CFLs. In future years, the program will shift focus to the next generation of efficient lighting technology such as LEDs.

Refrigerator / Freezer Turn-In

The purpose of this program is to promote the removal of operational second refrigerators/freezers in residences and ensure that these appliances are properly dismantled and retired.

Water Heating Efficiency

This program is designed to reduce the heat loss associated with residential water heating equipment. The program will focus on installing four low-cost water heating energy efficiency measures in the home. The four energy efficiency measures – a water

heater blanket, pipe wrap, low-flow aerators and a low-flow showerhead are being marketed as a kit to residential member-consumers.

The following table shows the expected energy savings for all GreenCo member cooperatives combined.

Program	Expected Energy Savings (MWh)		
	2011	2012	2013
EnergyStar Lighting	58,506	76,112	91,896
Power Cost Monitor	12,969	16,163	20,462
Community Efficiency Campaign	798	942	1,086
Water Heating Energy Efficiency	16,167	23,044	28,835
Solar Water Heating	-	-	-
EnergyStar Homes	1,350	2,212	2,710
Community Efficiency Low Income	253	351	523
EnergyStar Appliances	1,322	2,092	2,920
Refrigerator Turn-in	1,210	2,373	3,432
C&I Energy Efficiency	22,187	22,620	22,842
Agricultural Energy Efficiency	4,454	5,907	6,561
Commercial New Construction	431	457	457
TOTAL	119,648	152,274	181,724

- (iv) Projected NC Retail Sales and Year-End Number of Customer Accounts by Class

GreenCo Member-Cooperatives

Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers	Total Sales (MWh)
2011	670,370	49,858	91	720,320	12,800,319
2012	677,399	50,467	91	727,957	13,008,016
2013	687,010	51,230	91	738,330	13,185,945

Mecklenburg

Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers	Total Sales (MWh)
2011	118	5	0	123	1,642
2012	118	5	0	123	1,658
2013	118	5	0	123	1,675

Broad River

Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers	Total Sales (MWh)
2011	413	6	0	419	6,396
2012	417	6	0	423	6,459
2013	421	6	0	427	6,524

(v) Current and Projected Avoided Costs Rates

GreenCo provides renewable energy services to its 22 member-cooperatives in North Carolina. Power for these 22 EMCs is provided by North Carolina Electric Membership Corporation ("NCEMC"), Duke Energy, or Progress Energy Carolinas. The avoided cost information for the member-cooperatives is developed by the individual cooperative's power supplier, not GreenCo. NCEMC provides power under all-requirement contracts to 19 of the GreenCo member-cooperatives. The remaining three (3) member-cooperatives purchase at least a portion of their energy requirements from Duke, Progress Energy Carolinas, or both.

In March 2010, the NCEMC Board of Directors approved an Avoided Cost Rate Schedule with seasonal and time-of-day components. This avoided cost rate is available to any renewable energy generator that interconnects to a GreenCo member cooperative and sells the energy it produces to NCEMC. A copy of this rate schedule is attached as Appendix 2.

In order to determine an aggregated avoided cost for all GreenCo member-cooperatives, a weighted-average avoided cost utilizing the 5 year annualized avoided cost rates of NCEMC, Duke Energy, and Progress Energy Carolinas was calculated. The weights of each power supplier were calculated based on the 2009 energy sales of the member-cooperatives that purchase power from each power supplier. This methodology yielded a GreenCo weighted average 5 year annualized avoided cost of \$50.57 per MWh, which was used in the Plan.

(vi) Projected Total and Incremental Compliance Plan Costs**GreenCo**

Year	Projected Incremental Costs	Projected Total Costs
2011		
2012		
2013		

Mecklenburg

Year	Projected Incremental Costs	Projected Total Costs
2011		
2012		
2013		

Broad River

Year	Projected Incremental Costs	Projected Total Costs
2011		
2012		
2013		

Both Mecklenburg and Broad River intend to use RECs supplied by GreenCo to meet their REPS obligations. Both cooperatives are charged an administrative fee of \$1,000 by GreenCo. The REC costs and the administrative fee are the total costs incurred by both cooperatives, and the costs are considered as incremental costs.

(vii) Compare Projected Costs to Annual Cost Caps**GreenCo**

Year	Projected Incremental Costs	Projected Annual Cost Caps
2011		\$9,242,478
2012		\$15,830,223
2013		\$16,074,269

Mecklenburg

Year	Projected Incremental Costs	Projected Annual Cost Caps
2011		\$1,430
2012		\$2,166
2013		\$2,166

Broad River

Year	Projected Incremental Costs	Projected Annual Cost Caps
2011		\$4,431
2012		\$5,907
2013		\$5,957

(viii) Not Applicable

(ix) Registration Information

All renewable energy facilities providing RECs that will be utilized for REPS compliance by GreenCo have been registered with the NCUC as required by Rule R8-66.

Rule R8-67 (c) REPS Compliance Report

- (i) Sources, Amounts, and Costs of RECs Used to Comply with G.S. 62-133.8 (c), (d), (e), and (f) The following table shows the sources, amounts and costs of RECs acquired during the calendar year 2010.

Source	REC Quantity	REC Costs
In-State Solar		
Out-State Solar		
Out-State Wind		
Energy Efficiency		
Hydro		
SEPA Allocation		
Total		

- (ii) NC Retail Sales and Year-End Number of Customers by Customer Class

GreenCo

Customer Class	2010 Customers	2010 Retail Sales (MWh)
Residential	661,707	10,065,056
Commercial	49,245	2,288,211
Industrial	97	818,070
Total	711,049	13,171,338

Mecklenburg

Customer Class	2010 Customers	2010 Retail Sales (MWh)
Residential	118	1,609
Commercial	5	17
Industrial	0	0
Total	123	1,626

Broad River

Customer Class	2010 Customers	2010 Retail Sales (MWh)
Residential	409	6,260
Commercial	6	73
Industrial	0	0
Total	415	6,333

(iii) **Current Avoided Costs Rates and Avoided Costs Rates Applicable to Energy Derived from Long-Term PPAs**

During the time period covered by this Report (calendar year 2010), the GreenCo member-cooperatives received energy and renewable energy certificates from two (2) renewable energy facilities under long-term purchase agreements; QVC, Inc. and Hamlin Energy Solutions, LLC. In both cases, the rate paid for the energy produced at these facilities was \$0.04813 per kWh.

(iv) **Actual Total and Incremental Costs Incurred in 2010**

GreenCo member-cooperatives incurred costs of [REDACTED] for REPS compliance in 2010. The costs of RECs from renewable energy resources, the total program costs of energy efficiency programs, and the GreenCo administrative expenses paid by each individual GreenCo member-cooperative are included in the total value. The incremental costs, in excess of the avoided costs of energy, incurred by GreenCo members in 2010 for REPS compliance is [REDACTED].

Mecklenburg Electric Cooperative incurred incremental costs of [REDACTED] and Broad River Electric Cooperative incurred incremental costs of [REDACTED].

(v) **Compare Actual Compliance Costs to Annual Cost Caps**

Customer Class	2010 Year-End Number of Customers	Annual Per- Account Cost Cap	Total Annual Cost Cap
Residential	661,707	\$10.00	\$6,617,070
Commercial	49,245	\$50.00	\$2,462,250
Industrial	97	\$500.00	\$48,500
Total	711,049		\$9,127,820

The total annual cost cap for GreenCo is \$ 9,127,820 and the actual incremental costs incurred by GreenCo member-cooperatives in 2010 for REPS compliance is [REDACTED].

Mecklenburg

Customer Class	2010 Year-End Number of Customers	Annual Per- Account Cost Cap	Total Annual Cost Cap
Residential	118	\$10.00	\$1,180
Commercial	5	\$50.00	\$250
Industrial	0	\$500.00	0
Total	123		\$1,430

The total annual costs cap for Mecklenburg Cooperative is \$1,430 and the actual incremental costs incurred by Mecklenburg Cooperative in 2010 for REPS compliance is [REDACTED].

Broad River

Customer Class	2010 Year-End Number of Customers	Annual Per- Account Cost Cap	Total Annual Cost Cap
Residential	409	\$10.00	\$4,090
Commercial	6	\$50.00	\$300
Industrial	0	\$500.00	0
Total	415		\$4,390

The total annual costs cap for Broad River Cooperative is \$4,390 and the actual incremental costs incurred by Broad River Cooperative in 2010 for REPS compliance is [REDACTED].

(vi) Status of Compliance with G.S. 62-133.8 (c), (d), (e), and (f)

G.S. 62-133.8(c) (1) specifies that the REPS requirement for electric power suppliers commences in calendar year 2010 for solar resources and in 2012 for all other resources. In the time period covered by this Report (calendar year 2010), the REPS requirement is 0.02% of the total electric power sold to retail electric customers in the prior calendar year. GreenCo member-cooperatives, as well as Broad River Cooperative and Mecklenburg Cooperative, fully meet this requirement.

	2009 Retail Sales (MWh)	2010 Solar REPS Percentage	Solar REC Requirement
GreenCo- Member Cooperatives	12,038,916	0.02%	2,408
Mecklenburg	1,513	0.02%	1
Broad River	4,767	0.02%	1

- (vii) Identification of any REC's to be Carried Forward Pursuant to G.S. 62-133.8 (b) (2) f or (c) 2 f

GreenCo*

	Previous Balance	REC's Created in 2010	REC Retired in 2010	REC's Carried Forward
In-State Solar	-	-	-	-
Out-of-State Solar	-	-	-	-
In-State General	-	-	-	-
Out-of-State General	-	-	-	-
SEPA	-	-	-	-
In-State Hydro	-	-	-	-
EE	-	-	-	-
TOTAL	-	-	-	-

*Retirements includes 2 solar REC's retired for Mecklenburg and Broad River.

Mecklenburg will carry no REC's forward from 2010.

Broad River will carry 5,000 REC's from its 2008 - 2010 SEPA allocations forward.

- (viii) The dates and amounts of all payments made for renewable energy certificates are provided in Appendix 3.

- (ix) Reduced Energy Consumption Achieved after January 1, 2008 Through the Implementation of a Demand-Side Energy Management Program

GreenCo members did not implement any new demand-side management programs during calendar year 2010. As a result, there is no reduction in energy from demand-side management programs to report.

Mecklenburg Cooperative has no reduction in energy from demand-side management programs to report.

Broad River Cooperative has no reduction in energy from demand-side management programs to report.

Appendix I

Members of GreenCo Solutions, Inc.

Albemarle EMC

Brunswick EMC

Cape Hatteras EMC d/b/a Cape Hatteras Electric Cooperative

Carteret-Craven EMC d/b/a Carteret-Craven Electric Cooperative

Central EMC

Edgecombe-Martin County EMC

Four County EMC

French Broad EMC

Haywood EMC

Jones-Onslow EMC

Lumbee River EMC

Pee Dee EMC

Piedmont EMC

Pitt & Greene EMC

Randolph EMC

Roanoke EMC d/b/a Roanoke Electric Cooperative

South River EMC

Surry-Yadkin EMC

Tideland EMC

Tri-County EMC

Union EMC d/b/a Union Power Cooperative

Wake EMC

GreenCo Provides REPS Compliance Services for the Following Cooperatives

Broad River Electric Cooperative

Mecklenburg Electric Cooperative

Appendix 2

NCEMC Avoided Cost Tariff

**SCHEDULE QF
POWER PURCHASES FROM QUALIFYING FACILITIES**

AVAILABILITY

Service under this Schedule is available to generators of electricity (Sellers) defined as Qualifying Facilities (QF) by the Federal Energy Regulatory Commission pursuant to Section 210 of the Public Utility Regulatory Policies Act of 1978, as amended, and which are interconnected with the distribution system of an NCEMC participating member cooperative (Participating Member).

Service under this schedule is available to Qualifying Facilities with a contract capacity of greater than 500 kW and less than 5MW. For Qualifying Facilities with a contract capacity greater than 5 MW, the credits will be based on individualized determination of the avoided cost applicable to that generator. In certain instances, Seller and NCEMC may negotiate terms and conditions that vary from this Schedule or are otherwise unique to that particular transaction. This service is conditioned upon entering into a Purchased Power Agreement with NCEMC.

QF DEFINITION

The 5-Year and 10-Year Fixed Long-Term and Variable Energy and Capacity Credits are available to the following with Contract Capacities of 5 MW or less:

- Hydroelectric QFs owned and operated by small power producers as defined in G.S. 62-3(27a)
- Non-hydroelectric QFs fueled by trash or methane derived from landfills
- Solar, wind, hog waste or poultry waste-fueled or non-animal biomass-fueled QFs

Other QFs with Contract Capacities of 3 MW or less are eligible for 5-Year Fixed Long-Term and Variable Energy and Capacity Credits.

The standard 5 Year and 10 Year rate options specified in this schedule may be renewed for subsequent terms, at NCEMC's option, based on substantially the same terms and provisions contained herein and at the standard QF Rate based on NCEMC's avoided cost rate at the time of renewal.

RATE UPDATES

Credits specified by this schedule will be updated every two years, or when an aggregate of 25 MW of installed capacity is realized on the NCEMC system. Sellers who have contracted for the fixed 5 year or 10 year credits will not be affected by updates in the energy and capacity credits until their rate term expires. For QFs selling to NCEMC pursuant to the Variable Credit provision of this schedule, such credits shall be updated and changed in accordance with the revisions to such credits in NCEMC's biennial avoided cost determination.

**NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION
2011 TARIFF**

APPLICABILITY

This Schedule is applicable to all electric energy and capacity, if applicable, supplied by the Seller to the NCEMC system at one interconnection point through either NCEMC's metering facilities or a Participating Member's metering facilities.

CONTRACT CAPACITY

The Contract Capacity shall be as specified in the Purchased Power Agreement between NCEMC and Seller. Only one such Purchased Power Agreement shall be permitted for any QF. Capacity in excess of standard contract capacity of a standard rate QF's generators must be consumed internally by the QF.

TYPE OF SERVICE

This Schedule provides for the purchase of alternating current, 60 Hertz, three phase electricity at a voltage available at the interconnection point.

If the Seller requires supplemental, standby, or other electric service, the Seller will enter into a separate service agreement for the required service with the Participating Member.

MONTHLY CREDITS OR PAYMENTS

There will be a monthly credit or payment given for the energy and capacity, if applicable, supplied as defined below.

PURCHASE ENERGY AND CAPACITY DETERMINATION

The Purchase Energy will be the electric energy generated expressed in kWh which is metered or computed at, or compensated to, the billing point during each billing month.

The Purchase Capacity, if applicable, will be the maximum rate of electric energy generated during a sixty-minute period, measured in sixty-minute clock hour intervals, expressed in kW, which is metered or computed at, or compensated to, the billing point in each billing month.

All billing months will be on a calendar month basis for all QFs.

CREDITS

NCEMC shall pay Seller for purchase energy supplied to NCEMC as set forth below. In addition, NCEMC shall pay the Seller for purchase capacity provided in the on-peak hours as set forth below.

Such payments shall be reduced by the Administrative Charge and any applicable power factor charges and/or interconnection charges as specified in either the Purchased Power Agreement or Interconnection Service Agreement.

**NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION
2011 TARIFF**

Effective Dates: January 1, 2010 through December 31, 2011 or until revised

\$ / MWh		Variable Credits	Fixed Long-Term Credits 5 Year	Fixed Long-Term Credits 10 Year
Energy	On-Peak Hours	40.22	48.04	54.27
	Off-Peak Hours	26.84	32.96	38.14
Capacity	Peak Months	34.46	35.48	37.10
	Shoulder Months	16.50	16.92	17.68

On/Off-peak Definition

- On-Peak Hours (Mon – Fri)
 - Apr 1 thru Sep 30 10:00 am thru 10:00 pm
 - Oct 1 thru Mar 31 6:00 am thru 1:00 pm and 4:00 pm thru 9:00 pm
- Off-Peak Hours: all other weekday hours not defined above, plus weekends and holidays
 - Holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day & Day After, Christmas Day
 - If the holiday falls on Saturday, the Friday before will be considered off-peak
 - If the holiday falls on Sunday, the Monday after will be considered off-peak
- Peak Months (Capacity Credit): June through September and December through February
- Shoulder Months (Capacity Credit): March through May and October through November

Capacity Credit

- Applicable to only On-Peak Hours

ADMINISTRATIVE CHARGE

A monthly Administrative Charge will be applied monthly as outlined below in accordance with the Contract Capacity specified in the Purchased Power Agreement between NCEMC and Seller.

<u>Contract Capacity</u>	<u>Monthly Administrative Charge</u>
500 – 999 kW:	\$100 per month
Over 1000 kW:	\$275 per month

**NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION
2011 TARIFF**

POWER FACTOR CORRECTION

Power factor corrections may be made in accordance with NCEMC's Tariff. NCEMC reserves the right to install facilities necessary for the measurement of power factor and to recover associated costs as detailed in either the Interconnection Service Agreement or Purchased Power Agreement.

INTERCONNECTION SERVICE AGREEMENT

Terms and conditions related to the interconnection of the QF generator consistent with applicable codes and standards and the associated costs are covered in a separate Interconnection Service Agreement. This agreement will also detail metering requirements if appropriate and system protection and other requirements as necessary to interconnect on to the system.

PAYMENT

Credits or Payments to the Seller will be made in accordance with the terms as specified in the Purchased Power Agreement with NCEMC.

Appendix 3

Dates and Amounts of Payments Made for RECs

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]