

## DRAFT 5/21/11 Using Hydro Power to Comply with REPS

	Situation	How Document RECs?	Who can use for REPS?
1	Hydroelectric power facilities registered as new renewable energy facilities (10 MW or less, non-utility owned; or 10 MW or less, incremental utility-owned capacity installed after 1/1/2007)	Project registered in NC-RETS; RECs issued in NC-RETS	Any electric power supplier  Does this count toward the 30% limitation on hydroelectric power?
2	Hydroelectric power facilities registered as renewable energy facilities (10 MW or less, utility-owned, in service prior to 1/1/2007)	Project registered in NC-RETS; RECs issued in NC-RETS	A municipal or cooperative, so long as they don't own the hydropower facility from which the power and RECs come  Does this count toward the 30% limitation on hydroelectric power?
3	Hydroelectric power facilities not registered as renewable energy facilities or new renewable energy facilities (> 10 MW)		
3a	SEPA power allocation	Monthly invoice of SEPA power, with monthly generation recorded as a muni/coop specific Project with fuel type: SEPA  Upload monthly MWh as QRE in NC-RETS	A municipal or cooperative purchasing power from SEPA (together with other hydro, no more than 30% of general REPS requirement)
3b	TVA hydropower	Allocation of TVA hydroelectric generation, with monthly generation recorded muni/coop specific Project with fuel type: TVA Hydro (?) or Purchased Hydro ie not a renewable energy facility hydro, but bundled, purchased hydro  Upload monthly MWh as QRE in NC-RETS	A municipal or cooperative purchasing system power from TVA (together with other hydro, no more than 30% of general REPS requirement)
3c	NC utility-owned large hydro	Allocation of utility hydroelectric generation, with monthly generation recorded muni/coop specific Project with fuel type: ??  Upload monthly MWh as QRE in NC-RETS	A municipal or cooperative purchasing system power from a utility (together with other hydro, no more than 30% of general REPS requirement)

## **Statutory Provisions and Orders:**

G.S. 62-133.8(5) New renewable energy facility means ... (c) a hydro power facility (regardless of its in-service date) of 10 MW or less that delivers power to an electric power supplier. If the facility is owned by an electric power supplier that uses the output, that facility cannot be a “new” renewable energy facility.

G.S. 62-133.8(6) Renewable energy facility includes hydro facilities 10 MW or less, including those owned by an electric power supplier that uses the output itself.

Commission Order dated June 17, 2009 in E-100, Sub 113 found that small hydro owned by a utility could only generate RECs when 1) its output is sold to a different utility and the RECs are sold bundled with the power, and 2) when a utility upgrades a hydro plant by 10 MW or less, the capacity associate with the upgrade can produce RECs that can be used by the owning utility.

An Electric Public Utility can comply with REPS by:

G.S. 62-133.8(b)(2) ...

(a) Generating power at a new renewable energy facility – the Commission has determined that for hydro, this applies to facility upgrades where output at an existing hydro facility has been increased (via an upgrade or repowering) by 10 MW or less. (See the Commission’s June 17, 2009 order in E-100, Sub 113.)

(d) Purchasing power bundled with RECs from a new renewable energy facility (such RECS cannot be resold), including a small hydro facility that is owned by some other entity.

(f) Using electric power that is supplied by a new renewable energy facility (repeat of (d)).

A Cooperative or Municipal Utility can comply with REPS by:

G.S. 62-133.8(c)(2) ...

(a) Generating power at a new renewable energy facility – the Commission has determined that for hydro, this only includes facility upgrades where output at an existing hydro facility has been increased (via an upgrade or repowering) by 10 MW or less. (See the Commission’s June 17, 2009 order in E-100, Sub 113.).

(c) Buying power (and bundled RECs) from a hydro facility of any size or age, provided that no more than 30% of REPS can be met with hydro, including SEPA allocations.

(f) Using electric power that is supplied by a new renewable energy facility, that is, purchased from a small hydro facility or self-generated via a 10-MW or smaller hydro upgrade.