The Genesis of PaCE

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SC Office of Regulatory Staff

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GreenPower for South Carolina

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LAWS 826
Prof. Cumberland

The Genesis of PaCE

- **April 2005 -** "GreenPower for SC" research paper completed
- **December 2005 -** Research paper e-mailed to Advanced Energy/NC GreenPower, SC Energy Office, Progress Energy Carolinas, Duke Energy Carolinas, SCE&G, Santee Cooper and Lockhart Power Company

The Genesis of PaCE

- **January 2006 -**
  - Meeting with Progress Energy Carolinas and Duke Energy Carolinas at ORS
  - ORS visits NC State University Solar Center
  - ORS meets with Advanced Energy/NC GreenPower staff in Raleigh
- **May 2006 -** Meeting with Advanced Energy/NC GreenPower, SC Energy Office, Progress Energy Carolinas, Duke Energy Carolinas, SCE&G, Santee Cooper and Lockhart Power Company to discuss organization

The Genesis of PaCE

- **February 2007 -**
  - ORS and SC Energy Office attend NC GreenPower Board Meeting in NC
  - ORS meets with the President and Executive Director of Advanced Energy/NC GreenPower
- **March through June 2007 -** Organizational discussion with prospective members of a SC Green Power Program
- **July 2007** – PaCE is named

The Genesis of PaCE

Up Next:

The Chairman of PaCE

Mr. Bob Long

PALMETTO CLEAN ENERGY

SETTING THE PaCE FOR SOUTH CAROLINA'S FUTURE

Agenda

1. What is a Renewable Energy Resource
2. What is Palmetto Clean Energy ("*PaCE*")
3. How will *PaCE* work
4. Timeline for start-up

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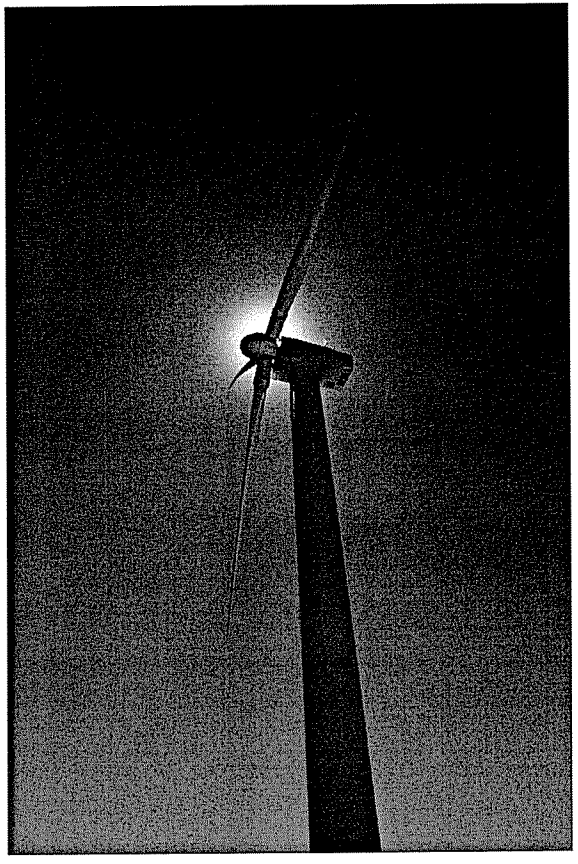
SETTING THE PaCE FOR SOUTH CAROLINA'S FUTURE

Renewable Energy Resources Defined

- Solar
- Wind
- Water
- Methane
- Biomass
  - Wood Waste
  - Animal Waste



PALMETTO
CLEAN ENERGY
SETTING THE PaCE FOR SOUTH CAROLINA'S FUTURE

Palmetto Clean Energy (*PaCE*)
QUICK FACTS

Incorporated:	August 6, 2007
Tax Exempt Status:	Pending
Mission:	Promote Development of Renewable Energy Resources
Participation:	Customers of SCE&G, Progress & Duke
Governance:	5 Member Board of Directors (ORS, SC Energy Office, SCE&G, Progress & Duke)
Website:	www.palmettocleanenergy.org
Operation:	Similar to NC GreenPower

PALMETTO CLEAN ENERGY
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Palmetto Clean Energy (*PaCE*)
Mission Statement

- *PaCE* is a renewable energy program designed to encourage the development of renewable energy resources that improve the environment through reduced greenhouse gas emissions.
- Consumers can elect to fund green power purchases by South Carolina investor owned electrical utilities.
- Contributions to the program help provide financial incentives for generators of electricity from renewable sources.
- Through this partnership with their local investor owned utility, participants will *set the PaCE* for the development of renewable energy in South Carolina.

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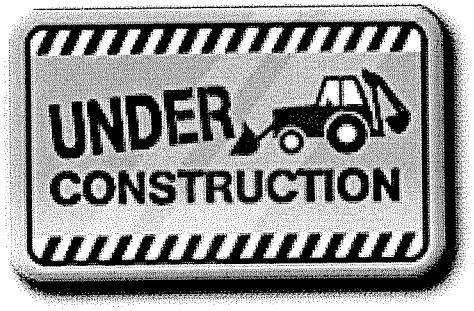
PaCE Website



Coming Soon -- December 2007

www.palmettocleanenergy.org

www.palmettocleanenergy.com

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How Palmetto Clean Energy Works

PaCE Participants

100 kWh Electricity

Renewable Generators Provide Power

$4 per 100 kWh

SCE&G/Duke/Progress:
- Sign Up Customers
- Billing & Collection

$4

PaCE:
- Contracts with Generators
- Marketing
- Administration

~$3

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HOW IT WORKS: Renewable Power to Grid

1. Utilities collect customer contributions and forward to *PaCE*
2. *PaCE* aggregates customer demands via voluntary customer participation in filed *PaCE* tariffs
3. *PaCE* qualifies Renewable Generators (RGs)
4. *PaCE* issues RFP, selects RGs, contracts for amount of premium that will be paid
5. The applicable utility negotiates and signs a Power Purchase Agreement (PPA) with RG at avoided cost rates
6. RG delivers power to the utility's grid
7. The utility pays RG for power and RG reports power generated to *PaCE*
8. *PaCE* pays premium to RG according to terms of contract

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SETTING THE PaCE FOR SOUTH CAROLINA'S FUTURE

Example: Renewable Generator

Utility Purchases Energy (per PPA)	5 cents/KWH
PaCE's Renewable Energy Premium	3 cents/KWH
Renewable Generator Receives	8 cents/KWH

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Timeline

Month	Activity
August '07	Incorporation
October '07	Tax Exempt Status Requested
November '07	File *PaCE* Tariffs with PSC
December '07	Website Goes Live
January '08	Expect Tax Exempt Status
February '08	Utilities Sign Up Customers
March '08	Marketing Campaign by *PaCE*
April '08	Earth Day Promotions by Utilities

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Questions?

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