NC SUSTAINABLE
ENERGY ASSOCIATION

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North Carolina Renewable Energy and Energy Efficiency Portfolio Standard (REPS)

- Senate Bill 3 or “SB3”
- Passed August 2007

Key Features of NC REPS

- 12.5% Renewable Energy and Energy Efficiency Portfolio Standard
  - Based on 2006 North Carolina Utilities Commission (NCUC) Study ("LaCapra Report")
- Major Cost Recovery Provisions to Utilities for EE, Clean Smokestacks, Potential New Coal/Nuke Plants
- Tax Relief to Industrials for Electricity

Key Features of NC REPS

- **Technology tiers**
  - Solar carve-out – 0.2% by 2018
  - Hog waste-to-energy carve-out – 0.2% by 2018
  - Poultry litter carve-out – 900,000 MWh by 2018
- **Central and customer-sited systems**
- **Cost recovery** mechanisms for utilities allowed
- **Emissions Requirements** for Biomass

Key Features of NC REPS

- **Target Percentages & Applicability**
  - 10% by 2018 – all electric service providers in state
  - 12.5% by 2021 – only investor owned electric utilities (Duke, Progress, & Dominion)
- **Eligible Technologies**
  - Wide range of renewable, energy efficiency, & thermal technologies (solar thermal & CHP)
  - IOUs - Up to 25% of REPS from efficiency by 2018; Up to 40% of REPS from efficiency by 2021
  - Coops & Munis - Can meet entire standard (other than Solar, Poultry, & Hog Set Aside) with efficiency

Key Features of NC REPS

- **Existing renewable sources**
  - Existing Small Hydro (<10MW) eligible
  - Coops and Munis only - Up to 30% of REPS with existing large hydro (Southeastern Power Administration)
- **Geographic areas eligible**
  - Up to ¼ of REPS can be met with out-of-state RECs
  - Electric power purchased from a new renewable energy facility located outside the State are eligible if the electric power and RECs can be delivered to retail electric customers in North Carolina.

Key Features of NC REPS

- **Flexible compliance mechanisms to guard against high prices or lack of supply of RE**

  "Off ramp" provisions (cost cap)

Customer Class ($ per account)	2008-2011	2012-2014	2015 and thereafter
Residential	$10.00	$12.00	$34.00
Commercial	$50.00	$150.00	$150.00
Industrial	$500.00	$1,000.00	$1,000.00

- **RECs Tracking System – "NC RETS"**

  www.ncrets.org

NC Renewable Energy Investment Tax Credit

- **35% of the cost of renewable energy property** constructed, purchased, or leased by a taxpayer.
- **The allowable credit may not exceed 50% of a taxpayer's liability**
- May be carried **over for the next five years**.
- Tax Credit Guidelines: http://www.dornc.com/practitioner/individual/directives/ renewableenergyguidelines.html

NC RE Tax Credit – Residential

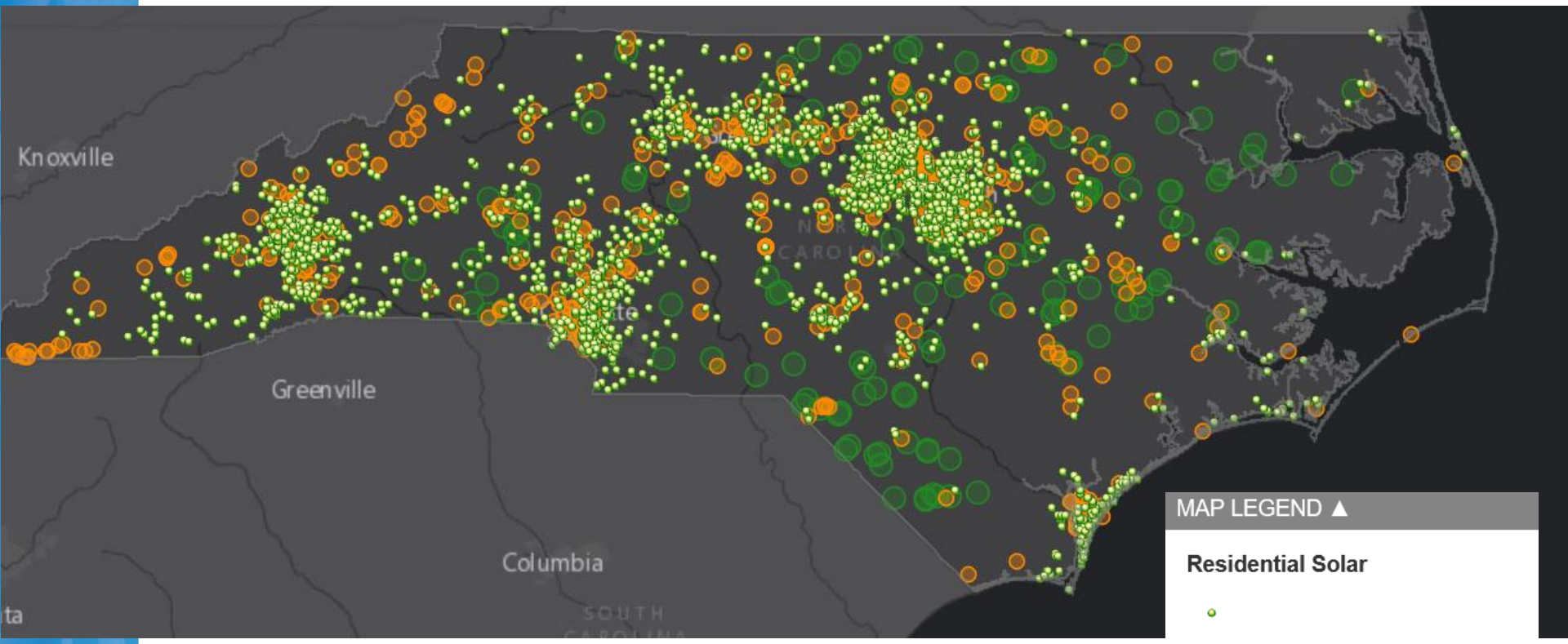
- $1,400 per dwelling unit for solar energy equipment for domestic water heating, including pool heating
- $3,500 per dwelling unit for solar energy equipment for active space heating, combined active space and domestic hot water systems, and passive space heating.
- $8,400 per installation for a geothermal heat pump or geothermal equipment.
- $10,500 per installation for any other renewable energy property for residential purposes.
- Tax credit expires January 1, 2016

NC RE Tax Credit – Non-residential

- A maximum of **$2.5 million per installation** for all solar, wind, hydro, geothermal, combined heat and power, and biomass applications for **commercial or industrial facilities**, including PV, daylighting, solar water-heating and space-heating technologies.

- Tax credit expires January 1, 2016

Installed Solar PV in North Carolina as of June 2015 – 984 MW



For more information: http://energyncmaps.org/gis/solar/index.html

North Carolina Installed Solar Systems

As of June 2015, there are approximately 984 Megawatts of solar pv energy systems powering North Carolina.
Map and Data compilation, North Carolina Sustainable Energy Association.