

LADWP Feed-in Tariff Demonstration Program

Frequently Asked Questions

Updated: 05/21/2012

Question: Can I reduce my bill and sell excess energy with Feed-in Tariff (FiT) as stated in a local newspaper article dated April 23, 2012?

Answer: No, the statement in the local newspaper is incorrect. All the energy produced from the FiT projects must be sold to LADWP, including all the capacity rights and environmental attributes associated with the projects.

Question: I own a solar PV system that received a rebate from LADWP's Solar Incentive Program (SIP), can I now apply for the Feed-in Tariff Demonstration Program?

Answer: An Applicant that has received a rebate from SIP and has been in operation prior to 1/1/12 is not eligible to participate in the FiT Demonstration Program.

Question: I installed a solar electrical system but did not apply for any incentives. May I sign up with the Feed-in Tariff Demonstration Program?

Answer: A system that has been in operation prior to January 1, 2012 is not eligible to participate in the FiT Demonstration Program. A system in operation on or after January 1, 2012 that have not received any incentive payments from LADWP's Solar Incentive Program may participate in the FiT Demonstration Program.

Question: If am a homeowner, will LADWP allow me to install the system myself?

Answer: A qualifying requirement of the FiT Demonstration Program is that one member of the Development Team must have prior experience in installing systems similar to the proposed system described on the Application. Per Section 6.9 of the Guidelines, the installer shall be a properly licensed California contractor with an active "C-10" or "A" license.

Question: Why is LADWP offering the Feed-in Tariff Demonstration Program to participants in the Owens Valley area?

Answer: Senate Bill 32 (Negrete McLeod, 2009) mandates LADWP to offer a 75 MW Feed-in Tariff program to electric renewable generation facilities within its service territory; large portions of Owens Valley are within LADWP's service territory.

Question: Has the price of energy been established?

Answer: For the 10 MW FiT Demonstration Program, Applicants are to offer their bid Base Price for Energy on the Application. LADWP will choose lowest priced projects until 10 MWs is reached (see Guidelines - pg. 13, Section 5.1 Evaluation and Ranking).

Question: Does the Applicant have to live/operate within the City of Los Angeles in order to participate in the Feed-in Tariff Demonstration Program?

Answer: No, the only requirement is the solar generator is within LADWP's service territory.

Question: What is the Local Bidder's Preference?

Answer: The Local Bidder's Preference status provides up to eight (8) percent advantage over other bidders outside of the Los Angeles County. Please visit www.labavn.org for additional details in obtaining a local business certification.

Question: What is the current schedule of the LADWP's Feed-in Tariff Program?

Answer:

Demonstration Program Launch	May 17, 2012
Application Deadline	June 29, 2012 at 2pm
Short-listing Announcement	August 2012
Award Standard Contracts	November 2012
Fine-Tune Full FiT Program Elements	December 2012
Full FiT offerings (dependant on Rates)	1st Quarter 2013

Question: Will a map of LADWP's Distribution System 'hot spots' be available to developers as reference to where they can best interconnect their project?

Answer: A map of LADWP's Distribution System is not available. Prior to final short listing of projects, LADWP will perform an integration study to ensure there is an interconnection point that will not cause costly network upgrades for short listed projects.

Question: Has funding been allocated to assure participants that these funds will last for the lifetime of the program?

Answer: The 10 MW Demonstration Program is fully budgeted for the 20 year contracts.

Question: What are the restrictions on the quantity of projects constructed per parcel or parcels per Application?

Answer: An Applicant is restricted to one project per legal parcel. If an Applicant owns two adjoining parcels and wished to submit an Application for one proposed solar PV system installation on both parcels, the solar system would have to be separated and the Applicant would be required to submit two separate Applications OR the two parcels must officially be recorded as one parcel.

Question: Can the energy produced by a system be used locally in the event of a power outage?

Answer: As stated in the SOPPA, all energy produced must be delivered to LADWP's Distribution System. In the event of a power outage, the system shall have anti-islanding features in place for the safety of LADWP's field crews.

Question: Is the system's ownership transferable?

Answer: At no point during the Application process shall the entity listed as the Applicant be switched, transferred, sold, or renamed. After Commercial Operation, transfer of ownership of a system may be granted provided LADWP receives this request in writing and affirms the new ownership.

Question: Does the Applicant need to provide proof of financing in order to apply?

Answer: No, proof of financing is not a requirement for the FiT Demonstration Program Application process, but should be sorted out to achieve COD deadlines.

Question: Does LADWP provide any financial assistance towards installing these solar systems?

Answer: LADWP offers limited loans up to ten years through its Utility Infrastructure Loan Program for the purchase and installation of solar photovoltaic systems. Additional information can be found under the Utility Infrastructure Loan Program tab at www.ladwp.com/edg.

Question: Is the Standard Offer Power Purchase Agreement (SOPPA) negotiable?

Answer: No, it is a standard contract where all terms and conditions within the SOPPA must be accepted as-is.

Question: Can the Seller keep the Renewable Energy Credits (RECs) produced from the system?

Answer: No, all the energy, capacity rights and environmental attributes such as RECs are sold to LADWP as stated in the SOPPA on page 15, Article 8: Environmental Attributes; EPS and RPS Compliance.

Question: Will the bidding model be used for the full Feed-in Tariff Program?

Answer: The pricing model for the full FiT Program will be determined after 'lessons-learned' from the Demonstration pricing process and/or outcome of CPUC's rulemaking process on pricing for FiT .

Question: What is the project selection process?

Answer: Applicants will be ranked based on the Base Price for Energy (BPE) offered and separated into the three pools based on system size and location. In the event that multiple projects submit the same BPE, smaller projects will be ranked higher. If another tie-breaker is needed, systems that are more strategically located onto the electrical distribution grid will be ranked higher.

Question: Where can I find additional information on zoning requirements?

Answer: Additional zoning information can be found by navigating the Los Angeles Department of Building and Safety webpage (www.ladbs.org).

Question: Whom on the development team must have the experience required in terms of classification (i.e. engineer, attorney, etc)?

Answer: All types of classifications are acceptable just as long as the experience in project development is of the same or greater project size.

Question: Can Development Team members listed on the Application be switched out for new members during the Application process?

Answer: Yes, but the Developer Experience rule where at least one member of the development team must have developed one or more similar project still holds.

Question: What is the MW cap installed/awarded per Applicant?

Answer: An Applicant may apply for multiple projects but that Applicant will only be awarded on projects up to an aggregate amount of two MW_{ac}.

Question: Are there any special provisions in place for non-profit organizations?

Answer: No, all Applications received are considered equally for the Demonstration phase.