

EasyREC SREC Management Service

As a solar owner, your system will generate Solar Renewable Energy Certificates (SRECs) that can then be sold to utilities that need to meet state solar requirements. SRECTrade is a popular online marketplace for these SRECs. It provides a way for solar owners to sell their SRECs directly to utility companies in a fair, efficient and transparent way. In addition to hosting the online auctions, SRECTrade also provides an SREC management service called EasyREC.

The EasyREC service: Completely hands free!

- 1. SREC Valuation:** With the market insight gained through our monthly auctions, EasyREC customers get professional advice regarding SREC market dynamics.
- 2. System Registration:** Owners of newly installed solar systems will only need to complete our registration forms to get registered with all eligible state(s) and tracking platform.
- 3. SREC Creation:** If required, meter readings can be tracked remotely using an internet-enabled inverter device or submitted directly to SRECTrade using our online form.
- 4. SREC Auction:** Auctions occur monthly on SRECTrade. The clearing price is determined by the market. All SRECs are transacted at the same price; however, you can specify your minimum price and adjust it at any time. If the auction clearing price drops below your minimum price in any month, those SRECs will be carried forward to the next auction.

Costs:

EasyREC fee: The cost of the EasyREC service is 5% of the transaction price. This covers the administrative overhead required to register and manage the solar facility.

Auction fee: Buyers pay a transaction fee of 3% for all SRECs purchased in auction. Sellers in the auction are not charged any additional fees.

EasyREC Value:

Minimal effort: The EasyREC service is completely hands-free. Simply sign up for the service and your SRECs will be generated and sold on your behalf.

Control: You still own and control your SRECs. You can opt out of the service at anytime and you can change your minimum price at any time.

Transparency: EasyREC customers can track monthly trading prices online at www.SRECTrade.com. Prices are public and transparent and there is no room for hidden markups. SRECs are sold at the same price as everyone else in the auction.

Cost savings: Other SREC management solutions include brokers and long-term contracts. Brokers will charge higher fees and lack transparency. Prices are negotiated and it is often unclear what they are getting for your SRECs. Meanwhile, long-term contracts are offered at a significant premium to current market prices. In signing these long-term contracts, customers forfeit a significant portion of the market value of the SRECs.

Massachusetts SRECs 101

What is an SREC? Solar Renewable Energy Certificates (SRECs) are created for every megawatt hour of electricity produced by solar generators. A 10 kW system produces about 12 SRECs a year. SRECS are sold separately from electricity, and the solar power generated does not need to be used for the SREC to be created.

Who buys SRECs? Electricity suppliers must buy SRECs to meet the Massachusetts RPS requirement. Threatened by a Solar Alternative Compliance Payment (SACP) of \$600 per megawatt hour if they do not comply, these companies will pay up to this price for SRECs.

How do I sell SRECs? Since individual solar owners do not produce enough SRECs to sell direct to buyers, an intermediary mechanism must exist. SRECTrade created the SREC auctions to connect sellers directly to the buyers in the market in a simple, efficient and effective way. The closing price of each auction represents the fair market price based on supply and demand.

Massachusetts SREC Pricing: State has set up a controlled market for SRECs that creates a price range of \$300-\$600 per SREC. There are several levers available to the state to ensure that pricing stays within this range. First, the electricity suppliers who fall short of their SREC requirements must pay a fine of \$600 per SREC. This sets a ceiling price of \$600. In years where there is an SREC shortage, pricing will be close to \$600. If there is an oversupply of SRECs, then market prices will be at or near \$300. The state ensures this floor price by having a last chance fixed-price auction at the end of the year. Buyers can bid to purchase the SRECs that are available at \$300 per SREC. If there are still unsold SRECs remaining after this auction, the state will adjust the capacity requirements for the following year to compensate for this surplus and allow increase the life of the unsold SRECs from 2 years to 3 years, ensuring a stable SREC price. This gives solar owners an assurance that prices will be above \$300.

Massachusetts Solar Requirement: The state has set the requirement for the SREC program at 30 megawatts of solar in 2010. That is the equivalent of

approximately 36,000 SRECs that need to be produced and purchased by suppliers in 2010.

Massachusetts SREC Program Logistics

1. SRECTrade will submit PV project application to the DOER. Once this application is approved, their solar facility will be added to the NEPOOL GIS tracking platform, where SRECs will be created and transacted.
2. Solar electricity generation is reported to the Production Tracking System (PTS).
3. SRECs are generated quarterly in NE-GIS and are then posted in the SREC auctions.
4. The state has committed to the program for 10 years. Each SREC is valid for 2 years, so an SREC created in 2010 can also be sold in 2011.

SRECTrade Aggregation Logistics

1. Fill out the forms to enroll in EasyREC
2. SRECTrade will submit your application to the DOER for approval and set up your SREC account – this takes a few weeks
3. Once set up, SRECTrade will collect your readings at the beginning of each month using an online form or internet-enabled inverter
4. SRECs are generated quarterly by NE-GIS
5. SRECTrade hosts monthly auctions on the first Friday of each month. You will be notified of the result after each auction. Possible results include:
 - a. Successful: X SRECs sold at Y Price
 - b. Unsuccessful: Y Price was below minimum, X SRECs not sold
 - c. No SRECs: None were available in this auction
6. If successful, payments will be delivered by the end of the month via direct deposit or mailed check. If unsuccessful SRECs are carried forward to next auction

EasyREC customers own their SRECs until sold in auction or contracted in the Forwards Exchange.

For More Information:

http://www.srectrade.com/massachusetts_srec.php

SRECTrade: EasyREC Agreement and Enrollment Form

Massachusetts: Systems eligible for certification in Massachusetts Only

Generator/Seller Information:

Solar Facility
Name: _____

Seller Name: _____ Email: _____

Company: _____ Phone: _____

Address: _____ System Size (kW): _____

City/State/Zip: _____ Minimum Price
per SREC: _____

SRECs are sold at the clearing price
unless it drops below this price.

Authorized Representative Consent

I, _____, (solar facility owner) hereby name SRECTrade as my Authorized Representative to submit and execute a Project Details Form and other information as required in the registration of the _____ (solar facility name) as a qualified renewable energy generator, and specifically as a solar energy generator for the Solar Carve-Out within Massachusetts. SRECTrade will handle all dealings with the Massachusetts Department of Energy and Environmental Affairs and with the NEPOOL GIS on behalf of the solar facility which includes providing electrical energy output data to the MA Clean Energy Center's Production Tracking System (PTS) as outlined in Item (5) of this Agreement.

Generator/Seller:

SRECTrade:

Dated: _____

Dated: _____

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Generator/Seller

SRECTrade Representative

All signed and completed forms should be returned electronically to:

SRECTRADE

Fax: (732)453-0065

Email: EasyREC@srectrade.com

SRECTrade: EasyREC Agreement and Enrollment Form

- 1. Parties.** SRECTrade and the signed generator/seller of solar renewable energy credits (the "Seller") agree to the following terms and conditions with respect to automatic Solar Renewable Energy Credit ("SREC") selling ("EasyREC").
- 2. Definition.** EasyREC refers to a service offered by SRECTrade in which a Seller's SRECs are sold automatically on SRECTrade's online auction.
- 3. Fees.** An administrative fee equal to 5% of the clearing price will be assessed to Seller for the EasyREC service.
- 4. Initial Generator/Seller Account Set-Up and Transfer.** As part of the EasyREC process, Seller shall complete this agreement and any additional forms required for the initial set-up or transfer of management responsibilities for Seller's generating unit into SRECTrade's SREC generation tracking platform account. The Seller will also complete any additional documents that may be required in the future by the tracking platform or the state regulating agency to maintain the Seller's facility in the SREC program. It is the Seller's responsibility to notify SRECTrade of an existing contract with another installer or aggregator to sell the facility's SRECs. SRECTrade will not be able to process the Seller's application until that contract expires or is cancelled by the other party. If Seller already has a tracking account, it will be deactivated as long as SRECTrade will manage Seller's SRECs and until the tracking platform is notified otherwise by Seller.
- 5. Metering, Data Reporting, and Verification Requirements.** According to NEPOOL GIS rules, all projects must utilize a revenue grade meter and report generation from the meter. Generation data is to be reported directly to SRECTrade as follows:

For projects < 10 kW: Data is to be reported to SRECTrade monthly either manually using SRECTrade's Meter Read form or automatically by providing SRECTrade access to Seller's Data Acquisition/Monitoring System reports.

For projects > 10kW: Data is to be reported automatically each month to SRECTrade by providing SRECTrade access to Seller's Data Acquisition/Monitoring System reports.

Data must be reported to SRECTrade within the last five days of the reporting month through the first three days of the following month. SRECTrade will report Seller's generation to the Production Tracking System (PTS), maintained by the Massachusetts Clean Energy Center (CEC) / Renewable Energy Trust within the required reporting period. If the Seller does not report their data to SRECTrade to provide to the PTS, the Seller will forfeit their SRECs generated during the unreported period.

The PTS is the independent verifier for the RPS Solar Carve-Out program. The PTS will report all of the projects' data on a quarterly basis to the NEPOOL GIS for the purpose of generating SRECs. The CEC maintains the right to audit any project's metering and reporting. The CEC will execute specific protocols and algorithms to verify reported data and identify any out-of-bounds data. On-site project audits are triggered by PTS identification of out-of-bounds data or disputes by an Owner or aggregator.

- 6. Posting, Selling and Final SREC Transfer.** Once SRECs from Seller's facility are deposited into SRECTrade's account, SRECTrade shall post them for sale in the current SRECTrade auction. Seller shall have the option to specify a minimum price at which the SREC must sell for a sale to occur (the "Offering Price"). If the Seller does not indicate an Offering Price, the Offering Price shall be set equal to the clearing price for each auction. If the clearing price of the auction is below the Offering Price, SRECTrade shall hold the SREC and post it for sale in the next auction, along with any new SRECs that are generated by Seller in the meantime. If the clearing price of the auction is above the Offering Price, SRECTrade shall transfer the SREC to the winning bidder and distribute resulting funds to Seller. At Seller's choice, SRECTrade shall transfer these funds to Seller either by sending a check to Seller's address or by directly depositing payment into a Seller-specified bank or checking account within 10 business days of the auction close.
- 7. Control.** Even though SRECs transferred for EasyREC are placed in SRECTrade's tracking account, Seller shall maintain control of them. This control must be exercised through communication with SRECTrade (either via e-mail or via SRECTrade.com), as once an SREC is transferred to SRECTrade's account, only SRECTrade will have access to them. At any time before the close of an auction, Seller may direct SRECTrade to perform any of the following actions:
 - 7.1 Cancel Seller's EasyREC Agreement.** Seller may cancel the EasyREC arrangement. Seller will complete Schedule A to reassign unit back to Seller's reactivated SREC tracking account. SRECTrade will then transfer all of Seller's unsold SRECs from SRECTrade's account to Seller's account. All of Seller's future SRECs will be deposited into the Seller's account.
 - 7.2 Change Offering Price.** Seller may change the Offering Price.
 - 7.3 Hold SRECs.** Seller may instruct SRECTrade to hold Seller's SRECs for a later auction.
 - 7.4 Retire SRECs.** Seller may opt to have SRECTrade retire Seller's unsold SRECs.
 - 7.5 Transfer SRECs to Another Person.** Seller may instruct SRECTrade to transfer Seller's unsold SRECs to any person with an account in the same tracking platform. To affect such a transfer, Seller must supply SRECTrade with that person's account name identification.
 - 7.6 Effectivity Date and Time.** Any instructions from the Seller for SRECTrade to perform any of the actions included here shall be executed in a timely manner by SRECTrade.
- 8. Cancellation.** SRECTrade reserves the right to cancel this agreement at any time. In this event, SRECTrade shall notify Seller via e-mail and shall transfer all of Seller's unsold SRECs from SRECTrade's tracking account to Seller's tracking account. All of Seller's future SRECs will be deposited into the Seller's account.
- 9. Entire Agreement.** This is the entire agreement between the parties with respect to EasyREC. On this matter, this agreement replaces and supersedes any and all oral agreements between the parties, as well as any prior writings.
- 10. Successors and Assignees.** This agreement binds and benefits the heirs, successors, and assignees of the parties.
- 11. Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Delaware.
- 12. Waiver.** If one party waives any term or provision of this agreement at any time, that waiver will only be effective for the specific instance and specific purpose for which the waiver was given. If either party fails to exercise or delays exercising any of its rights or remedies under this agreement, that party retains the right to enforce that term or provision at a later time.
- 13. Severability.** If any court determines that any provision of this agreement is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable and such provision shall be modified, amended, or limited only to the extent necessary to render it valid and enforceable.

SRECTrade: EasyREC Agreement and Enrollment Form

In order to be eligible to sell SRECs in Massachusetts, you must apply for certification. SRECTrade uses the information in this form to submit an application for state certification with the Massachusetts DOER. This form can be completed with the help of your installer.

Solar Facility

Name: _____

Utility _____ Utility _____

Company: _____ Account #: _____

Installer Information

Company
Name: _____

Contact Name: _____

Phone: _____

Email: _____

Licensed
Electrician's
Number: _____

System Information

PV Array
Orientation/Azimuth: _____

(True Direction in degrees, not Magnetic)
North = 0°, East = 90° South = 180°, West = 270°

PV Array Tilt: _____

0° = Horizontal

Surface Area (Sq. Ft.
of Entire Array): _____

Estimated Annual
Production Before
Shading (kWh): _____

PV Panel Rated
Efficiency: _____

Estimated Annual
Production After
Shading (kWh): _____

% of System Shaded: _____

Tracking: Fixed 1 2

Module / Generator Information

Manufacturer: _____

of Modules
/Generators: _____

Model Number: _____

Module Rating
(DC): _____

Inverter Information

Manufacturer: _____

of Inverters: _____

Model Name
and Number: _____

Meter Information

Manufacturer: _____

Model/Type: _____

Serial Number:
(if applicable): _____

SRECTrade: EasyREC Agreement and Enrollment Form

Additional System Information

System Capacity (kW DC): _____

Interconnection Date: _____

PowerClerk Application ID
(if applicable): _____

On Site Behind the Meter
Load (kWh): _____

Initial Meter Reading
(on interconnection date): _____

Total Costs of Installed
Project: _____

Remote Data Collector (DAS): _____
Required for systems >10 kW; Ex. Enphase Envoy (if applicable):

Grant Information:

Check if you accepted funding from any of the following projects to assist in the installation of your system:

- | | |
|--|---|
| <input type="checkbox"/> MRET/DOER Commonwealth Solar I Rebate | <input type="checkbox"/> MRET Commercial, Industrial, Institutional Initiative (CIII) |
| <input type="checkbox"/> MRET Green Affordable Housing Initiative (GAHI) | <input type="checkbox"/> MRET Green Buildings Initiative (GBI) |
| <input type="checkbox"/> MRET Green Schools Initiative (GSI) | <input type="checkbox"/> MRET Large On-site Renewable Initiative (LORI) |
| <input type="checkbox"/> MRET Solar to Market Initiative (SMI) | <input type="checkbox"/> MRET Special Opportunities Partnership Initiative (SOPI) |
| <input type="checkbox"/> MRET Small Renewables Initiative (SRI) | <input type="checkbox"/> State Revolving Fund (SRF) ARRA Project |
| <input type="checkbox"/> ARRA-related Fed. Funds (incl. EECBG projects) in excess of 67% of total installed costs. | |

ARRA-related grant-in-lieu-of-an Investment Tax Credit (ITC) ARRA-related Federal funds totaling up to and including 67% of total installed costs

Rebate from Commonwealth Solar II (small projects) Rebate from Commonwealth Solar Stimulus

MRET support only for a feasibility study

Optional: Payments will be sent via check to address on file unless Direct Deposit instructions are provided. SRECTrade recommends Direct Deposit for faster, more secure delivery of payment:

Bank Name: _____ Account Number: _____

Checking: or Savings: Routing Number: _____

Additional Required Information:

Please include a copy of the Interconnection Agreement from your Utility Company

Instructions:

All completed and signed documents can be sent to SRECTRADE by fax or email:

SRECTRADE
Fax: (732) 453-0065
Email: EasyREC@srectrade.com

**Commonwealth of Massachusetts
Executive Office of Energy and Environmental Affairs
Department of Energy Resources**

Massachusetts RPS

RENEWABLE ENERGY CERTIFICATES PURCHASE AGREEMENT

I, _____ (Name of Generation Unit Owner) certify that I am the owner of the system installed and located at _____ (address) and executed a contract on _____ (Date) with _____ SRECTRADE _____ (Name of Aggregator) authorizing _____ SRECTRADE _____ (Name of Aggregator) to include my system as part of an Aggregation. I also certify that I will notify DOER in writing within 30 days upon termination of that contract.

I, _____ SRECTRADE _____ (Name of Aggregator) certify that I have executed a contract with _____ (Name of Generation Unit Owner) on _____ (date) to include the system located at _____ (address) in an Aggregation. I also certify that I will notify DOER in writing within 30 days upon termination of that contract.

Signature of Generation Unit Owner: _____ Date _____

Signature of Aggregator Agent: _____ Date _____

**MA RPS Program
Department of Energy Resources
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