

Solar Gardens Program Overview

March 20, 2019



Voluntary Green Pricing (VGP) Product

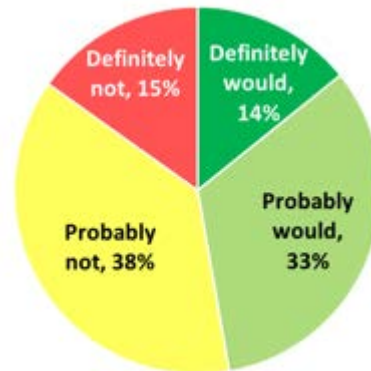
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- Section 61, MCL 460.1061, requires utilities to offer VGP programs
- VGP subscribers are responsible for additional costs
- VGP subscribers must accrue the benefits
- VGP subscribed RECs are separate from Renewable Energy Credit Portfolio Standard ("RPS") compliance RECs
 - i.e. no double counting RECs



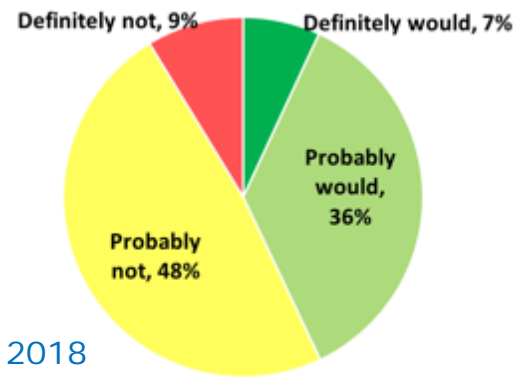
- Nearly half of customers would consider paying for renewable programs
- Costs and credits require more effort to understand than fixed cost products
- Some customers desire a cost savings from renewable products
- More communication of environmental benefits is desired from subscribers

Residential



"If I can see the benefits from it I would be willing to pay more"

Business



Source: Cadmus, 2018



Green Generation™ Program

REC based product sourced from Michigan renewables



Solar Gardens Program

Solar energy generated on your behalf



Large Customer Renewable Energy Program

Renewable energy to match usage by largest corporate customers

- ~20,000 customers
- Closing April 5, 2019
- ~2,200 customers
- <10 customers

Solar Gardens Program - Overview

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**100% Michigan-Made
Solar Energy**



**No Installations or
Upkeep Hassles**



**Support Michigan's
Renewable Energy Future**



**No Contracts or
Cancellation Fees**



**Subscription Levels
Starting at \$10 Per Month**



**Clean Energy with the
Same Proven Service**



Grand Valley State University

GVSU's Allendale campus, South of Pierce Avenue near 48th Avenue.



Western Michigan University

WMU's Kalamazoo campus, at the Business, Technology and Research Park.



Solar Gardens Program

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Choose your level of participation

- 1 block \approx 500 watts or 750 kWh per year
- An average home would subscribe to 10-12 blocks for 100% match.
- Subscription Payment Terms: Upfront, 3 years, 7 years or 25 years

Solar Gardens Program

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Receive bill credit
based on your
subscription level

- Guaranteed 7.5 ¢/kWh of generation thru March 2021
- Day ahead LMP starting April 2021
- 2018 monthly credit averaged \$4.46 per block



Solar Gardens Credits per Block

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	Generation Period													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
2018	\$1.80	\$2.03	\$5.62	\$6.00	\$6.60	\$6.37	\$7.27	\$6.30	\$5.40	\$3.45	\$1.27	\$1.43		
2017	\$1.05	\$3.23	\$4.20	\$5.40	\$7.04	\$7.35	\$7.50	\$6.45	\$6.30	\$3.75	\$2.70	\$0.90		
2016				\$4.95	\$7.11	\$7.04	\$6.97	\$5.78	\$5.47	\$3.97	\$3.00	\$0.68		
Avg Monthly Bill Credit Estimate per Block	\$1.43	\$2.63	\$4.91	\$5.45	\$6.92	\$6.92	\$7.25	\$6.18	\$5.72	\$3.72	\$2.32	\$1.00	\$54.45	Average Annual Bill Credit per Block
Percentage of Annual Bill Credit	2.6%	4.8%	9.0%	10.0%	12.7%	12.7%	13.3%	11.3%	10.5%	6.8%	4.3%	1.8%	100%	Total Percentage

Solar Gardens Billing

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Your subscription and credits appear on your monthly utility bill.

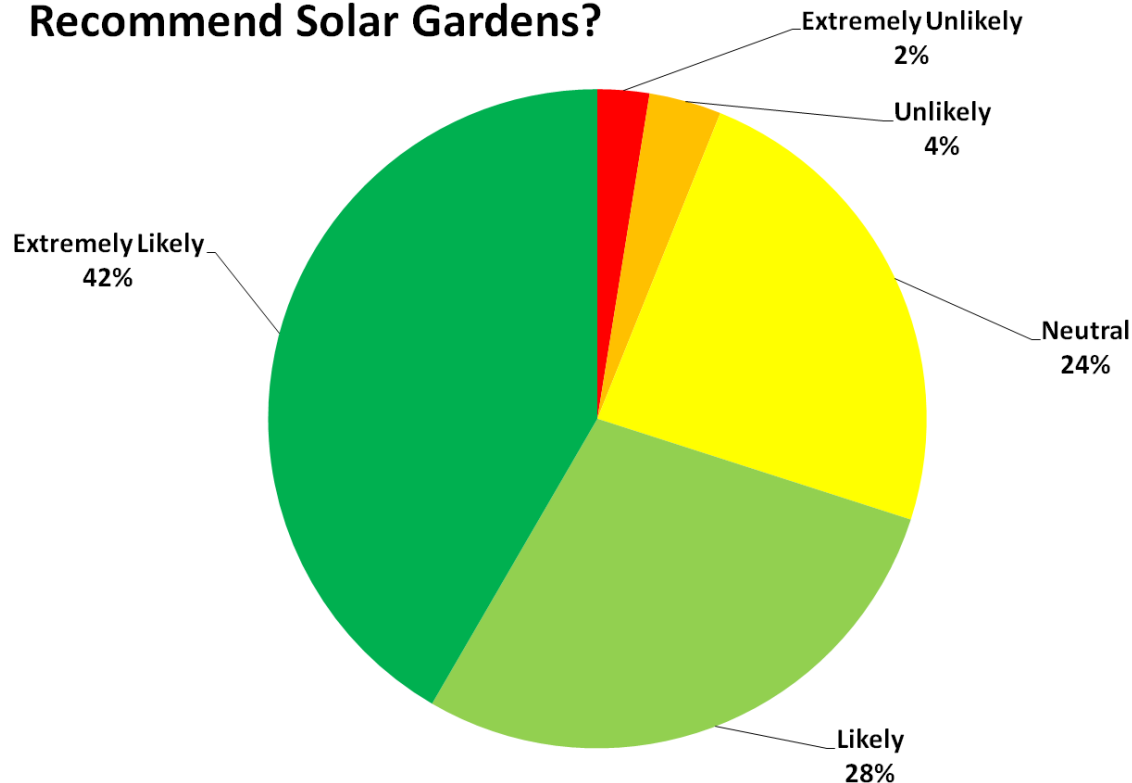
Account Summary			
Last Month's Account Balance			\$89.87
Payment on May 10, 2018			<u>\$89.87-</u>
Balance Forward			\$0.00
Payments applied after May 14, 2018 are not included.			
Electric Charges			
Energy	502@ 0.094525		\$47.45
PSCR	502@ 0.002560-		\$1.29-
System Access			\$7.00
Distribution	502@ 0.050297		\$25.25
Energy Efficiency	502@ 0.002963		\$1.49
Power Plant Securitization	502@ 0.001162		\$0.58
Low-Income Assist Fund			\$0.93
Electric Charges			
Solar Energy Subscription			\$10.00
Solar Energy Credit			<u>\$5.62-</u>
Total Electric			\$85.79
State Sales Tax			<u>\$3.22</u>
Total Energy Charges			\$89.01
Amount Due:			\$89.01

Appears on your bill 2-3 months after enrollment.

Solar Gardens Customer Perspectives

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Recommend Solar Gardens?

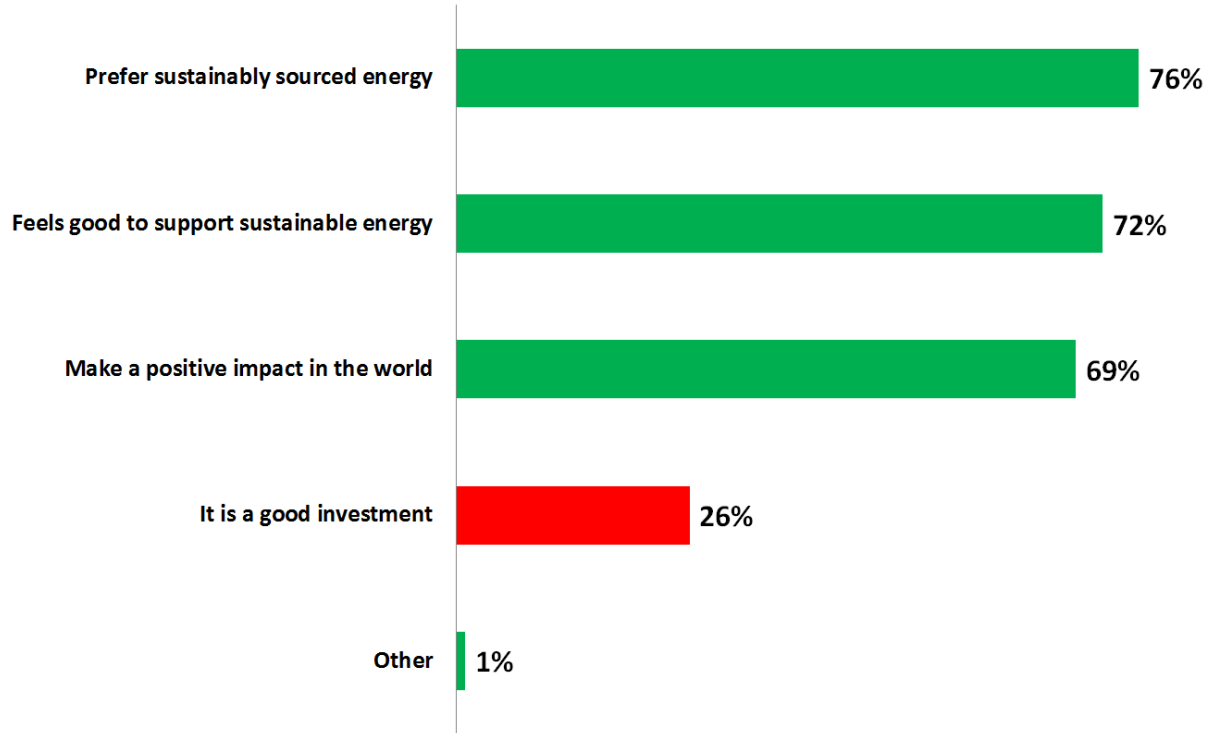


70%

extremely likely
or likely promoters

Winning model for customer referrals

Why Subscribed?



**Clean & Green
customers are
core
subscribers**

Solar Gardens=ENVIRONMENTAL BENEFITS

25,422,000	3,000	268,000	11,000
Miles driven by Average Passenger Vehicle	Tons of Waste Recycled	Tree seedlings grown for 10 years	Tons of carbon dioxide equivalent (CO ₂ e) avoided
			

- Cadillac, Michigan
 - Investment unlocks \$1M in brownfield funds for the City
 - Investment will create economic growth
 - Investment will create pollinator habitat



A photograph of a large solar farm with rows of blue photovoltaic panels tilted towards the sun. The panels are mounted on metal frames in a grassy field. The sky is bright blue with scattered white clouds. The text 'Thank You' is overlaid in the center in a large, white, sans-serif font.

Thank You