

# SOLAR FOR SCHOOLS PROGRAM

1. What is the purpose of the Solar for Schools Program?

The purpose of the Commission's Solar for Schools Program is to create bill savings for the state's Public School Districts while simultaneously incentivizing the buildout of Distributed Generation Facilities.

2. Which school districts are eligible to participate in the Solar for Schools Program?

Only Public School Districts recognized by the Mississippi Department of Education and provided electrical service by Entergy Mississippi and/or Mississippi Power Company (electric utility). Private and church affiliated school districts do not qualify for the Solar for Schools Program. A list of eligible Public School Districts as compiled by each Entergy Mississippi and Mississippi Power Company is attached.

3. Which Public School District facilities can be included in the solar system sizing capacity determination?

Only meters at facilities that are directly managed by a Public School District and served by the electric utility can be included in solar system capacity determination calculations.

4. How is the solar generation capacity per Public School District determined?

Solar system capacity shall be based on the lesser of the system capacity (as measured in MW<sub>DC</sub>) necessary to generate not more than 110% of the aggregate annual usage of the school district's meters served by the electric utility, or 3 MW<sub>DC</sub>.

5. How is the total amount of capacity for all Public School Districts participating in an electric utility's Solar for Schools Program determined?

The total capacity (as measured in MW<sub>DC</sub>) of all participating school districts shall be combined with the total recorded capacity associated with the Commission-approved Mississippi Distributed Generator Interconnection and Distributed Generation program or similar program, to determine if distribution level solar capacity equals or exceeds 3% of the electric utility's retail peak load.

6. May electric utilities refuse Solar for Schools requests?

Yes, if the total direct current capacity, as determined through the above requirements, exceeds 3% of the electric utility's total system peak demand during the prior calendar year.

7. What is a Solar for Schools Agreement?

The Solar for Schools Agreement is a contract that reflects the Public School District's selection of a Third Party Solar Developer to construct, own and operate a solar generating facility and establishes the agreed upon revenue disbursements from the electric utility to the Public School District and the Third Party Solar Developer.

8. What is a Power Purchase Agreement (PPA)?

It is a contract between two parties, one which generates electricity (the seller) and one which is looking to purchase electricity (the buyer). The PPA defines all commercial terms for the sale of electricity between the two parties, including when the project will begin commercial operation, schedule for delivery of electricity, penalties for under delivery, payment terms, and termination. A PPA is the principal agreement that defines the revenue and credit quality of a generating project and is thus a key instrument of project finance.

9. How is the Power Purchase Agreement established?

A Third Party Solar Developer and the electric utility shall enter into a PPA contract prior to the construction of the solar generating facility. PPAs shall be executed on a first-come-first-served basis.

10. What kind of consumer protection efforts are required for the Solar for Schools program?

Electric Utilities are directed to implement prequalification components for Third Party Solar Developers into its Solar for Schools Program. Electric utilities are directed to consider prequalified entities with the Energy Division of the Mississippi Development Authority or may expand the qualifications of an existing Trade Ally Program to encompass the objectives of the Solar for Schools Program.

11. What is the Purchase Power Agreement Price?

The price shall be the electric utility's avoided cost of energy plus 4.5 cents.

12. How can a utility's avoided cost rate be obtained?

Avoided cost rates of investor owned electric utilities can be obtained on the MPSC website at the following: <https://www.psc.ms.gov/exec-sec/electriciou>

13. Can a school district have multiple PPAs?

Only a single PPA may be associated with each school district for those meters at facilities served by the electric utility.

14. How is the location of the solar facility determined?

The solar facility must be located in the county/counties of the school district and within the certificated area of the electric utility and be physically interconnected with the electric utility's distribution system. The solar facility is not required to be located on the same parcel of a facility managed by the Public School District.

15. What is the life of the Purchase Power Agreement?

The PPA may remain in effect up to 25 years. The electric utility will present a PPA document to be approved by the Commission.