

SPARK Green Offset Program

The SPARK Green Offset Program is the first of its kind in Alberta. Through this unique program, individuals and businesses now have the opportunity to purchase locally generated Green Energy Offsets from small solar, wind or other renewable energy generators of their choosing.

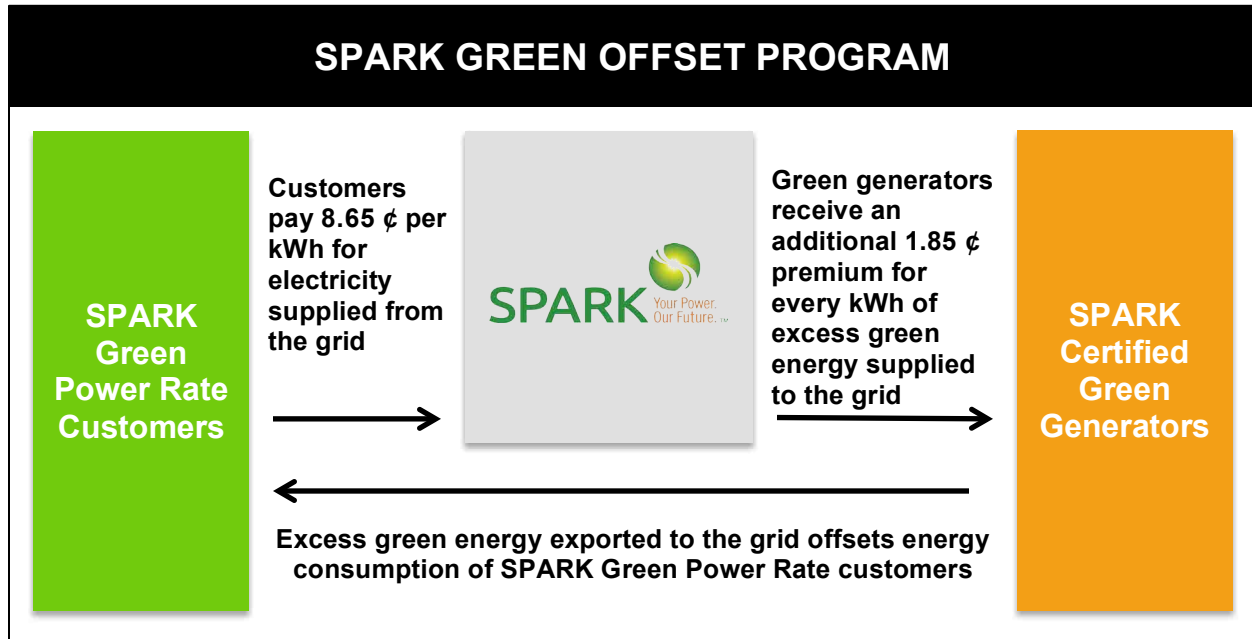
Alberta's electricity market was designed for large utility-size generators burning fossil fuel, not for small renewable generators. It will take a very long time for small generators to be treated fairly in this market.

SPARK's Green Offset Program cuts through the red tape and regulatory barriers, and lets customers support renewable energy generators of their choice. SPARK Green Power Rate customers can support a local wind farm, bio-fuel project, a group of solar/wind micro-generators in their community or a solar installation on a local school.

Generators just need to register with SPARK and we take care of the paperwork. When customers select your renewable energy project or your group of micro-generators, we ensure that their financial support goes directly to you through an open and auditable process.

Since SPARK is a renewables-focused co-operative, we are not looking to make corporate profits from this service. We exist only to provide a renewable power source for our customers and to contribute towards a sustainable future for generations to come.

How Does It Work?



SPARK Certified Green Generators generate renewable energy that is exported into Alberta’s electrical grid. The renewable energy attributes of this exported energy is registered as a Green Energy Offset in SPARK’s offset registry. SPARK Green Power Rate customers purchase electricity and Green Energy Offsets from SPARK. Green Power Rate customers can choose which generator or group of generators to purchase their offsets from. As Green Energy Offsets are purchased, the offsets become retired in SPARK’s offset registry and compensation at 1.85 ¢/kWh is provided to the SPARK Certified Green Generator.

More specific program details can be found on page 4.

*NOTE: 1.85 ¢/kWh is in **addition** to the compensation that generators currently receive for the sale of their exported electricity. 1.85 ¢/kWh is significantly better compensation than green generators can find through Alberta’s existing offset markets which is designed for large emitters and large generators. Alberta’s existing \$15/tonne carbon tax equates to approximately \$13.5/tonne on the open market or about 0.88 ¢/kWh for renewable energy generators (At the 2014 Alberta ratio of 0.65 tonnes CO₂/MWh). 1.85 ¢/kWh is equivalent to a market price of \$31.4/tonne CO₂ at 2015 Alberta ratio of 0.59 tonnes CO₂/MWh. Administration charges and third party verification charges to participate in the SGER offset market are estimated at approximately \$15,000 per year for 4 MW of aggregated systems. These charges limit the ability for small generators to participate in the SGER offset market.*

SPARK Certified Green Generator Registration Form		
Name		
SPARK Account Number		
Site Address		
Mailing Address		
Contact Number		
E-mail Address		
Power Source	<i>Please select one of the following choices:</i>	
	<input type="checkbox"/>	Solar
	<input type="checkbox"/>	Wind
	<input type="checkbox"/>	Hydro
	<input type="checkbox"/>	Biomass
System Size (kW)		
Year of Installation		
Location Classification	<i>Please select one of the following choices:</i>	
	<input type="checkbox"/>	Residential
	<input type="checkbox"/>	Commercial
	<input type="checkbox"/>	Institutional
	<input type="checkbox"/>	Community Project

Terms and Conditions of SPARK Green Offset Program

DEFINITIONS

SPARK Certified Green Generators (generators) – Solar, wind, biomass or other types of renewable energy generators that are registered and approved for participation in the SPARK Green Offset Program

SPARK Green Power Rate (customers) – A retail electricity option that allows residential, industrial and commercial customers to purchase Green Energy Offsets from small renewable energy generators

Green Energy Offset (offset) - For the purposes of this program, a Green Energy Offset is defined as a unit of energy (kWh) that is exported into the grid by a SPARK Certified Green Generator. This energy entering the grid is not currently receiving any financial benefit for the renewable or green attributes of the energy. 1 unit (kWh) of renewable energy entering the grid = 1 unit (kWh) of Green Energy Offsets

Exported Energy - Exported energy is recorded at the revenue grade (Measurement Canada certified) meter for the generator. In the case of distributed generators, the total generation is exported in kWh and is eligible to be registered as an offset in this program. In the case of micro-generators, only the energy exported to the grid is eligible to be registered as an offset.

SPARK Offset Registry – SPARK’s database of registered and retired Green Energy Offsets

GENERATION AND OFFSET REGISTRY

1. SPARK Certified Green Generators (generators) have the opportunity to sell the green attributes of their exported energy at the current rate of 1.85 cents/kWh. Generators will also continue to receive compensation for their exported energy as they would if they were not registered in the SPARK Green Offset Program. Only the green attributes of the exported energy are registered with SPARK in the form of a Green Energy Offset for sale to its customers.
2. Generators may not sell the offsets produced from their registered system to any other retailer, individual or company in the form of any GHG offsets, Renewable Energy Credits or any other carbon credit offset system. SPARK customers that are leasing their solar electric systems may not be eligible to participate in SPARK Green Offset Program, as the lessor may own the environmental benefits of the solar electric system.
3. Upon registration, each generator is assigned to a specific generator category. Generator categories may include:
 - a) Calgary solar micro-generators (YYC-SOLAR)
 - b) Edmonton solar micro-generators (YEG-SOLAR)
 - c) Alberta solar and wind micro-generators (AB-MG)
 - d) Additional generator categories will exist and can be created for larger solar and wind generators (both distributed generators and micro-generators)

4. Each generator is assigned an ID code corresponding to their generator category and the order in which the generator registered as a SPARK Certified Green Generator. (Example: YYC-SOLAR-001 corresponds to the first micro-generator registered in the Calgary solar micro-generators category.)
5. Monthly exported energy (kWh) as measured by the utility becomes registered as a Green Energy Offset in SPARK's offset registry.
6. The registered Green Energy Offsets will remain in SPARK's offset registry until purchased and retired by Green Power Rate customers or until unretired offsets are returned to the generator upon their exit from the program.

GREEN POWER RATE CUSTOMER SIGN-UP

7. All new and existing SPARK customers are provided with the option to purchase Green Energy Offsets from SPARK.
8. When signing up for the Green Power Rate, SPARK customers will need to select a specific generator or generator category to purchase Green Energy Offsets from.

PURCHASING AND RETIRING OFFSETS

9. For each kWh of energy consumed by a SPARK Green Power Rate customer, SPARK will provide 1.85 cents for purchase of a registered Green Energy Offset from SPARK's offset registry within that customer's chosen generator category with exceptions as outlined in point 14 below.
10. Total energy consumption (kWh) of all SPARK Green Power Rate customers within specific generator categories are recorded on a quarterly basis. Q1 totals include energy consumed from January, February and March statements; Q2 totals include energy consumed during April, May, and June statements, etc. Statements and billing periods remain the same as SPARK's existing statement periods for our customers and may not align perfectly with each of these months. For example, January statement will generally reflect the billing period for December but may also include days from November or January.
11. The total combined consumption (kWh) of SPARK Green Power Rate customers within a generator category is distributed and assigned to registered Green Energy Offsets within the selected generator categories in SPARK's offset registry. Registered Green Energy Offsets become officially retired for each unit purchased by the Green Power Rate customers. Once a Green Energy Offset is retired, it is no longer eligible for sale through SPARK's Green Offset Program or other offset markets.

ORDER OF OFFSET RETIREMENT AND GENERATOR COMPENSATION

12. Green Energy Offsets are purchased and retired in the order in which they are registered with SPARK. Retirement priority:
 - a) The oldest registered offsets are retired first within each generator category (Example - Registered offsets from January 2014 are purchased and retired before offsets from February 2014; Offsets carried over from Q4-2013 are purchased and retired before offsets from January 2014)
 - b) Offsets from the same month are retired based on the generator ID; older generator ID's offsets are sold before newer generator ID's offsets

Example prioritization of offset sales for Q1-2014 (Point 1 is first priority for sale, Point 2 is second, etc.):

1. Offsets carried over from Q4-2013 from YYC-SOLAR-001
 2. Offsets carried over from Q4-2013 from YYC- SOLAR-002
 3. January 2014 offsets from YYC-SOLAR-001
 4. January 2014 offsets from YYC-SOLAR-002
 5. February 2014 offsets from YYC-SOLAR-001
 6. February 2014 offsets from YYC-SOLAR-002
 7. February 2014 offsets from YYC-SOLAR-003 (new generator signs up mid-quarter and enters queue for offset sales)
 8. March 2014 offsets from YYC- SOLAR -001
 9. March 2014 offsets from YYC- SOLAR -002
 10. March 2014 offsets from YYC- SOLAR -003
13. Green Energy Offsets that are not purchased during any given quarter are carried forward to the following quarter and prioritized for sale. SPARK will attempt to sell all registered offsets; however, a time lag or buffer between offset registration and offset sale/retirement is required for program functionality.
14. SPARK will make every effort to ensure that the amount of energy consumed by SPARK Green Power Rate customers does not exceed the amount of Green Energy Offsets available for sale within a given generator category. If purchased Green Energy Offsets exceed amount available for sale within a given category, SPARK reserves the right to allocate and retire Green Energy Offsets from other generator categories to ensure that our SPARK Green Power Rate customers have purchased Green Energy Offsets for 100% of their consumed energy.
15. Quarterly reports will be provided to SPARK Certified Green Generators within 45 days of end of quarter. Reports will include details specific to the generator's category:
- a) Green Energy Offsets (kWh) purchased by SPARK Green Power Rate customers within their chosen generator category
 - b) Number of generators within the category
 - c) Total Green Energy Offsets registered in SPARK's offset registry (kWh) within generator category
 - d) Total Green Energy Offsets retired from SPARK's offset registry (kWh) within generator category
 - e) Total Green Energy Offsets carried forward to the next quarter (kWh) within generator category
 - f) Details of any offsets transferred to or from other generator categories in cases of inadequate generator offset supply
 - g) Overall program details with summary of all generator categories
16. Financial compensation to generators will be issued in the form of a cheque or a rebate on the customers' electricity bill. Cheques will be issued quarterly when a minimum threshold of \$100 is reached or during the final settlement when a generator leaves the SPARK Green Offset Program.
17. SPARK reserves the right to refuse service to new or existing Green Power Rate customers if SPARK has inadequate offset generation to meet demand. SPARK Green Power Rate customers will be notified prior to movement to SPARK's default rate or another rate of the customers' choosing.
18. SPARK reserves the right to limit new generator sign up if demand for Green Power Rate is limited or insufficient to meet generation from existing generators.

19. When a generator leaves the SPARK Green Offset program, a summary report detailing retired offsets will be provided. Any outstanding offsets that have not been retired will be de-registered from SPARK's offset registry for future use or sale by the customer.
20. SPARK reserves the right to modify the terms of this agreement with 30 days advance notice to the generator.

I have read and agree to the above-mentioned SPARK Green Offset Program Terms and Conditions

Signature

Date