

Alternative Energy Credits (“AEC”) RFP  
*AEC Revised Delivery Schedule*  
*Five-Year AEC Products in the July 2010 Solicitation*

**Purpose of this document**

On June 1, 2010, PPL Electric posted to the RFP Web Site a Delivery Schedule for each AEC product in a document entitled “Target Quantities for July 2010 Solicitation”. This Delivery Schedule aimed to provide information to each AEC bidder regarding the AECs that a winning AEC supplier would provide in each month of the term of the AEC Supply Master Agreement (“AEC SMA”).

This present document supersedes the document “Target Quantities for July 2010 Solicitation” (as well as FAQs and other previously provided information related to AEC delivery schedule) and provides, for each product of the AEC RFP, the Delivery Schedule that is required for winning AEC Suppliers in the July 2010 Solicitation. This Delivery Schedule will ensure that PPL Electric will be able to fulfill its AEPS Obligation as required by the AEC SMA. The Delivery Schedule divides the five-year supply period into six segments: a stub period with the first five (5) months of 2011, the four full compliance years from June 1, 2011 to May 31, 2015, and finally a seven-month period from June 1, 2015 to December 31, 2015. The Delivery Schedule specifies the portion of the contract quantity won by the AEC supplier that must be delivered in each segment. During each segment, the number of AECs must be provided in equal monthly deliveries.

The present document does not affect winning AEC Suppliers in past solicitations. The present document will be updated to apply in future solicitations.

**Tier I (non-PV)**

Table 1A provides the Delivery Schedule for Tier I (non-PV) AECs.

- Column A provides the six (6) segments of the five-year supply period.
- Column B provides, for each segment, the portion of the contract quantity won by the AEC supplier that must be delivered in that segment.
- The AECs must be based on renewable generation that occurred during the period provided in Column D of the table, called the “vintage”.
- Column C provides, for comparison purposes only, the portion of the contract quantity to be delivered in each segment of the supply period in the previous, superseded document “Target Quantities for July 2010 Solicitation”.

The percentage of the contract quantity to be supplied in a segment of the supply period increases during the term of the contract because the AEPS obligations increase during the term of the contract.

**Table 1A: Delivery Schedule for Tier I (non-PV) AECs**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
<b>Segment of Supply Period</b>	<b>Portion of Contract quantity to be delivered</b>	<b>Portion Previously Announced (superseded)</b>	<b>Vintage</b>
1/1/2011-5/31/2011	5.87%	5/60 = 8.3%	Between 6/1/2008 and 5/31/2011
6/1/2011-5/31/2012	16.55%	12/60 = 20%	Between 6/1/2009 and 5/31/2012
6/1/2012-5/31/2013	18.80%	12/60 = 20%	Between 6/1/2010 and 5/31/2013
6/1/2013-5/31/2014	21.02%	12/60 = 20%	Between 6/1/2011 and 5/31/2014
6/1/2014-5/31/2015	23.11%	12/60 = 20%	Between 6/1/2012 and 5/31/2015
6/1/2015-12/31/2015	14.65%	7/60 = 11.7%	Between 6/1/2013 and 5/31/2016

*Example:* The contract quantity for Supplier A is 72,002 Tier I (non-PV) AECs. Supplier A's delivery schedule is the following:

**Table 1B: Example of Delivery Schedule for Tier I (non-PV) AECs**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
<b>Segment of Supply Period</b>	<b>Portion of Contract quantity to be delivered</b>	<b>Quantity to be delivered in segment of Supply Period</b>	<b>Quantity to be delivered in per month of segment</b>
1/1/2011-5/31/2011	5.87%	4,225	845
6/1/2011-5/31/2012	16.55%	11,916	993
6/1/2012-5/31/2013	18.80%	13,536	1,128
6/1/2013-5/31/2014	21.02%	15,132	1,261
6/1/2014-5/31/2015	23.11%	16,644	1,387
6/1/2015-12/31/2015	14.65%	10,549	1,507
<b>TOTAL</b>	<b>100%</b>	<b>72,002</b>	

**Tier I (PV)**

Table 2A provides the Delivery Schedule for Tier I (PV) AECs.

- Column A provides the six (6) segments of the five-year supply period.
- Column B provides, for each segment, the portion of the contract quantity won by the AEC supplier that must be delivered in that segment.
- The AECs must be based on renewable generation that occurred during the period provided in Column D of the table, called the “vintage”.
- Column C provides, for comparison purposes only, the portion of the contract quantity to be delivered in each segment of the supply period in the previous, superseded document “Target Quantities for July 2010 Solicitation”.

The percentage of the contract quantity to be supplied in a segment of the supply period increases during the term of the contract because the AEPS obligations increase during the term of the contract.

**Table 2A: Delivery Schedule for Tier I (PV) AECs**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
<b>Segment of Supply Period</b>	<b>Portion of Contract quantity to be delivered</b>	<b>Portion Previously Announced (superseded)</b>	<b>Vintage</b>
1/1/2011-5/31/2011	1.80%	5/60 = 8.3%	Between 6/1/2008 and 5/31/2011
6/1/2011-5/31/2012	6.98%	12/60 = 20%	Between 6/1/2009 and 5/31/2012
6/1/2012-5/31/2013	10.93%	12/60 = 20%	Between 6/1/2010 and 5/31/2013
6/1/2013-5/31/2014	18.00%	12/60 = 20%	Between 6/1/2011 and 5/31/2014
6/1/2014-5/31/2015	30.86%	12/60 = 20%	Between 6/1/2012 and 5/31/2015
6/1/2015-12/31/2015	31.42%	7/60 = 11.7%	Between 6/1/2013 and 5/31/2016

*Example: The contract quantity for Supplier B is 988 Tier I (PV) AECs. Supplier B's delivery schedule is the following:*

**Table 2B: Example of Delivery Schedule for Tier I (PV) AECs**

A	B	C	D
Segment of Supply Period	Portion of Contract quantity to be delivered	Quantity to be delivered in segment of Supply Period	Quantity to be delivered in per month of segment
1/1/2011-5/31/2011	1.80%	20	4
6/1/2011-5/31/2012	6.98%	72	6
6/1/2012-5/31/2013	10.93%	108	9
6/1/2013-5/31/2014	18.00%	180	15
6/1/2014-5/31/2015	30.86%	300	25
6/1/2015-12/31/2015	31.42%	308	44
TOTAL	100%	988	

**Tier II**

Table 3A provides the Delivery Schedule for Tier II AECs.

- Column A provides the six (6) segments of the five-year supply period.
- Column B provides, for each segment, the portion of the contract quantity won by the AEC supplier that must be delivered in that segment.
- The AECs must be based on renewable generation that occurred during the period provided in Column D of the table, called the “vintage”.
- Column C provides, for comparison purposes only, the portion of the contract quantity to be delivered in each segment of the supply period in the previous, superseded document “Target Quantities for July 2010 Solicitation”.

The percentage of the contract quantity to be supplied in a segment of the supply period increases during the term of the contract because the AEPS obligations increase during the term of the contract.

**Table 3A: Delivery Schedule for Tier II AECs**

A	B	C	D
Segment of Supply Period	Portion of Contract quantity to be delivered	Portion Previously Announced (superseded)	Vintage
1/1/2011-5/31/2011	7.97%	5/60 = 8.3%	Between 6/1/2008 and 5/31/2011
6/1/2011-5/31/2012	19.31%	12/60 = 20%	Between 6/1/2009 and 5/31/2012
6/1/2012-5/31/2013	19.26%	12/60 = 20%	Between 6/1/2010 and 5/31/2013
6/1/2013-5/31/2014	19.26%	12/60 = 20%	Between 6/1/2011 and 5/31/2014
6/1/2014-5/31/2015	19.26%	12/60 = 20%	Between 6/1/2012 and 5/31/2015
6/1/2015-12/31/2015	14.94%	7/60 = 11.7%	Between 6/1/2013 and 5/31/2016

*Example: The contract quantity for Supplier C is 24,046 Tier II AECs. Supplier C's delivery schedule is the following:*

**Table 3B: Example of Delivery Schedule for Tier II AECs**

A	B	C	D
Segment of Supply Period	Portion of Contract quantity to be delivered	Quantity to be delivered in segment of Supply Period	Quantity to be delivered in per month of segment
1/1/2011-5/31/2011	7.97%	1,915	383
6/1/2011-5/31/2012	19.31%	4,644	387
6/1/2012-5/31/2013	19.26%	4,632	386
6/1/2013-5/31/2014	19.26%	4,632	386
6/1/2014-5/31/2015	19.26%	4,632	386
6/1/2015-12/31/2015	14.94%	3,591	513
TOTAL	100%	24,046	

### **Delivery to GATS and Payment**

AECs must be transferred to PPL Electric's GATS account within 40 calendar days of the last day of the month (and 50 calendar days of the last month of the delivery period). PPL Electric will make payments in accordance with the revised delivery schedule for AEC transactions pursuant to this July 2010 solicitation and all future solicitations of the AEC RFP. Please consult sections 2.3(c), 2.3(d), 5.1 and 5.2 of the AEC SMA for more information.

A winning AEC Supplier may not deliver fewer AECs than the specific amount of AECs each month in accordance to the schedules above and the contract quantity. PPL Electric may accept more AECs from a winning AEC Supplier; however, the quantity delivered by an AEC Supplier in a segment of the supply period may not exceed the amount of AECs required across all months of the segment of the supply period in accordance to the schedules above and the contract quantity.