

# Corporate Renewable Energy Procurement Pathways in the Southeast: **GEORGIA**

**Many corporations, higher education institutions, and municipalities use off-site renewable energy purchasing to meet ambitious renewable energy goals. Limited off-site renewable projects in the Southeastern United States may not be a function of limited corporate interest, but rather may reflect regulatory and market barriers. This report summarizes the status of off-site renewable procurement in Georgia, highlighting the potential for market expansion.**

To understand the potential for renewable procurement in the Southeast, NREL gathered and estimated data from corporations, cities, and higher education institutions with renewable energy commitments. We pair this with data on existing renewable energy supply options (Figure 1). A summary of purchasing pathways in the state and their contracted capacity is found in Table 1.

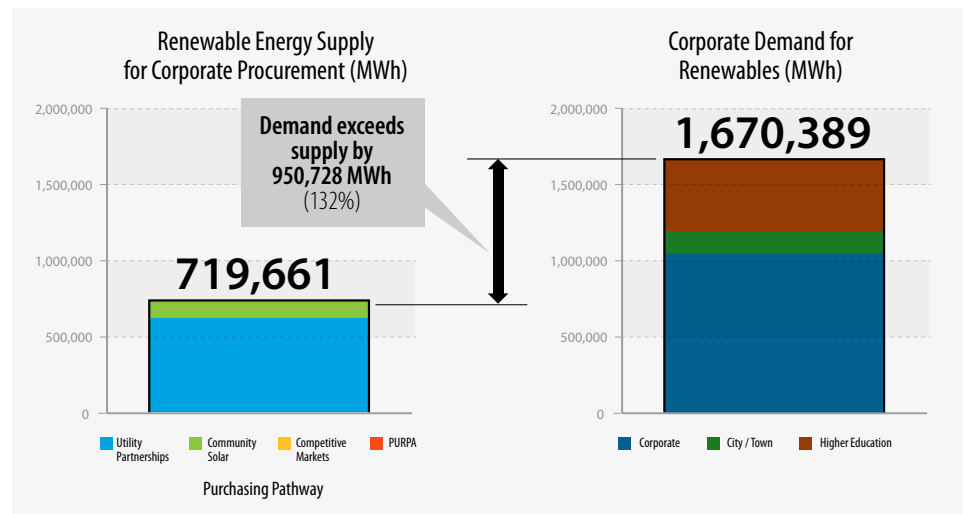


Figure 1. Corporate renewable energy supply and demand

In Georgia, our sample of demand for renewables exceeds supply dramatically, by nearly 1 million megawatt hours (MWh), or 132%. Most of the corporate demand in Georgia is coming from the corporate segment.

## Utility Partnerships

Georgia Power announced the Commercial & Industrial Renewable Energy Development Initiative (C&I REDI) in April 2018, which enables up to 200 megawatts (MW) of renewable energy procurement through power purchase agreements (PPAs). Corporations that participated in the Notice of Intent Process in 2017 signed 10- to 30-year contracts establishing fixed prices and hourly credits based on PPA production. This program is fully subscribed, and Georgia Power states on its website that it may consider future program designs.

In 2015, Procter & Gamble partnered with Georgia Power to purchase steam power and renewable energy certificates (RECs) from the 50 MW Albany Biomass Plant. Facebook and Switch are currently working with Georgia utilities to power new data centers and meet their renewable energy targets. The total procured capacity has not been announced.

## Community Solar

Georgia leads the southeast region in terms of installed community solar capacity. About 60% of this capacity has been installed by cooperative utilities, and these programs vary in terms of corporate customer eligibility and REC treatment. Georgia Power operates a 3 MW community solar program, but only residential customers are eligible to participate.

## Competitive Market Access

### Retail Choice

Georgia is the only state in the southeast with policy supporting retail choice. New customers with a minimum peak load of 900 kilowatts (kW) have a one-time opportunity to select a competitive supplier. Participants cannot pursue alternative service providers after initial selection. The risk inherent in this structure may explain why no load in Georgia was served by competitive suppliers in 2016.

### Off-Site PPAs

Georgia is not served by a regional electricity market. While corporations with Georgia sites have the option to pursue off-site

PPAs in states with competitive wholesale markets, potential for energy price hedging is limited due to distance between load and generation.

## PURPA

Georgia hosts the third-highest capacity of qualifying facilities allowed under the federal Public Utility Regulatory Policies Act (PURPA). PURPA capacity in the southeast region and has seen steady increases in new capacity from 2013 to 2017. However, corporate customers do not directly own any PURPA facilities. Avoided energy cost payments are calculated on a real-time hourly basis, exposing qualifying facilities (QFs) to price volatility. Long-term capacity prices are determined using the peaker methodology. QFs above 5 MW that seek long-term capacity payments participate in a competitive bidding process. Short-term capacity payments are available when Georgia Power identifies a need for short-term capacity. Contract lengths vary and are capped at a maximum of 30 years.

## Market Outlook

Utility partnerships may be the best option for corporate renewable energy procurement in Alabama. Until 2021, corporate customers with sites located in Alabama Power's territory have the opportunity to pursue 408 MW of remaining capacity available under the utility's renewable generation procurement program. In northern Alabama, customers may also be able to leverage TVA's experience forming bilateral partnerships. Limited opportunities remain for procurement through competitive markets, PURPA qualifying facility development, or community solar projects.

Pathway	Deployed Capacity (MW)	Key Considerations
Utility Partnerships	227.5	<ul style="list-style-type: none"> <li>Georgia Power's C&amp;I REDI program is fully subscribed; the utility may consider a new program in the future</li> <li>Recent development of new bilateral corporate partnerships</li> </ul>
Community Solar	71	<ul style="list-style-type: none"> <li>Highest community solar capacity in the southeast region</li> <li>60% of capacity is operated by cooperative utilities</li> </ul>
Competitive Markets	0	<ul style="list-style-type: none"> <li>Partial retail choice: new customers with &gt; 900 kW load have one-time option to select competitive supplier</li> <li>Limited price hedging potential for off-site PPAs</li> </ul>
PURPA	0	<ul style="list-style-type: none"> <li>Unspecified contract length and real-time hourly cost schedule for energy payments</li> <li>Peaker methodology and competitive bidding for long-term capacity payments</li> </ul>

Table 1. Deployed capacity and key considerations for corporate procurement

Heeter, Jenny; Cook, Jeffrey J.; and Jenny Sauer. 2018. *Existing and Potential Corporate Off-site Renewable Procurement in the Southeast*. Golden, CO: National Renewable Energy Laboratory, NREL/TP-6A20-72003. <https://www.nrel.gov/docs/fy18osti/72003.pdf>.

