

Inter-Registry Certificate Transfers

Kelly Knauer April 16, 2009

Presented to M-RETS Subscriber Group



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Why is importing and exporting certificates important?

- To help prepare for Federal legislation
- To help develop a more liquid REC market
- Ease of use for utilities who operate in multiple tracking systems



Import and Export Overview



- A cross-functional group is developing a protocol for import/export functions (WREGIS Inter-Registry Working Group)
- This group is encouraging participation from all tracking systems
- Currently WREGIS is leading the group with participation from M-RETS
- There are other important participants that have a vested interest in developing the import and export function





- WREGIS developed a list of required fields required on imported certificates
- To meet these requirements, M-RETS would need to add the following fields to our certificates to import into WREGIS:
 - Qualified Facility
 - Multi-Fuel Generation Indicator
 - Commenced Operation Date



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Definition of QF



 Qualified Facility would be a yes/no indicator regarding if the generator meets the requirements of a Qualifying Facility under PURPA.

Qualifying Facility (QF) is a generating facility which meets the requirements for QF status under the Public Utility Regulatory Policies Act of 1978 <u>PURPA</u> and part 292 of the Commission's Regulations <u>18 C.F.R. Part 292</u>, and which has obtained certification of its QF status.

There are two types of QFs: cogeneration facilities and small power production facilities.

A **Cogeneration Facility** is a generating facility that sequentially produces electricity and another form of useful thermal energy (such as heat or steam) used for industrial, commercial, residential or institutional purposes, and otherwise meets the requirements of 18 C.F.R. §§ 292.203(b) and 292.205 for operation, efficiency and use of energy output.

A **Small Power Production Facility** is a generating facility whose primary energy source is renewable (hydro, wind, solar, etc.), biomass, waste, or geothermal resources, and that otherwise meets the requirements of 18 C.F.R. §§ 292.203(a), 292.203(c) and 292.204. Small power production facilities are limited in size to 80 MW, with the exception of certain types of facilities certified prior to 1995 and designated as "eligible" under section 3(17)(E) of the Federal Power Act (FPA) (16 U.S.C. § 796(17)(E)), which have no size limitation.



- APX has developed a cost estimate to add the three WREGIS-required fields to the M-RETS certificates
 - The total estimate for the work will be \$1192.80
 - Per the APX contract M-RETS would be billed at a rate of \$149.10/hour on a time and material basis.







- If supported by M-RETS subscribers, enhancements would be presented to the M-RETS Board of Directors for approval
- M-RETS needs to decide what fields would be required on all imported certificates
- Development of import/export protocol for all tracking systems







Issues/Questions ???



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MN Compliance Requirements



• REC retirement in M-RETS by May 1, 2009

- REC retirement sub-accounts are to be identified by purpose, compliance year, and the retail load serving entity for which the RECs are being retired
- The accounts should be aggregated so that each electric utility covered under MN statue 216B.1691 established only **one** MN REC retirement subaccount for REO/RES
- For power agencies or co-ops serving more than one distribution company, REC retirement into one sub-account for all the retail load serving entities served by the utility in a given compliance year will be sufficient
- Utilities are required to file an annual compliance report no later than June 1, 2009 to the Commission and the OES under docket No. E-999/PR-09-287



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MN Compliance Requirements



- Minnesota green pricing program
 - Green pricing RECs should be transferred into a separate retirement subaccount
 - Utilities should be as specific as possible when selecting a name for the sub-account and should **not** use the default sub-account name
 - RECs within these accounts must be segregated by compliance year and designated **only** for MN green pricing programs
 - RECs must originate from generation sources certified as eligible for green pricing by the OES
 - RECs for 2008 compliance year must be retired by May 1, 2009
 - Please note that the MN green pricing filing date has changed to the date above!
 - Utilities must file an annual green pricing verification report with the Commission and the OES no later than June 30, 2009 for compliance in 2008



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