



Midwest Renewable Energy Tracking System, Inc.
1885 University Avenue West, Suite 315, Saint Paul, MN 55104
P 651 789 3338 F 651 645 1262
mrets.org

Board Meeting Minutes

Monday, June 25th, 2012

9:00 A.M. Central

Via GoToMeeting Webconference

Board Members

Present:

- (1) Deborah Erwin, WI-PSC, President
- (2) Pat Keily, We-Energies, Vice President
- (3) Brian Rounds, SDPUC, Secretary
- (4) Susan Mackenzie, MNPUC
- (5) Larry Johnston, SMMPA
- (6) Ron Franz, Dairyland Power Cooperative
- (7) Illona Jeffcoat-Sacco, NDPSC

Absent:

- (1) Eric Jensen, IWLA
- (2) Janet Amick, IUB
- (3) Jeffery Cottes, Manitoba Province Energy Division

Others Present:

- (1) Amy Fredregill, Executive Director
- (2) Eric Schroeder, GPI, Treasurer
- (3) Jamie Niccolls, Alliant Energy
- (4) Nehal Divekar, Synapse Energy Economics

Proceedings

Deb called the official meeting to order at 9:12 AM once a quorum had been established.

1. Approval of Agenda and Minutes
 - a. No edits offered for either the agenda or draft minutes.
 - b. MOTION by Deb to adopt the agenda and minutes– 2nd by Pat
 - c. Motion passed on a voice vote.
2. Rate Structure Principles
 - a. Amy explained that Nehal put together a handout that summarized common rate structure principles in the context of MRETS fees to consider as a guideline.
 - b. A couple of important principles were touched upon that relate to the MRETS fee structure analysis for 2013
 - (1) If goal is to create stability and predictability, must look at impacts beyond 2013.
 - (2) Fairness – low volume accounts
 - (3) Avoid subsidization and discrimination – export fees
 - (4) Efficiency considerations – fee cap
 - (5) Simplicity and convenience – comparison of fees to other systems
 - c. Discussion on general board direction for 2013 fees

- (1) Overall goal to reduce retirement fees
 - a) Directors shared some of their feedback from the stakeholder groups they represent on the board. Generally what they are hearing is that subscribers are fairly content with the value received by current fees.
- (2) Export fees
 - a) Discussion regarding the pros and cons of export fees. Consensus to have no export fee at this time
 - b) Having no export fee could incentivize or facilitate REC origination in M-RETS
 - c) Export fees could go against M-RETS bylaw purpose of encouraging REC tradability
 - d) Can revisit this issue at a later time
- (3) Consensus on no import fee at this time
 - a) Policies to allow imports into M-RETS are not yet finalized, possibly a year from now and can revisit later
- (4) Overall revenue target should be low, based on covering costs in draft 2013 budget
3. Overview and discussion of newly modeled scenarios
 - a. Overview of the new scenarios
 - b. Scenario 1b that reduces the retirement fees seemed to meet many of board's goals – retirement reduction, lower revenues overall while covering costs
 - c. The scenarios are built on conservative assumptions of static voluntary and export activity. In the past we have collected more revenue than anticipated using conservative assumptions, so we might want to look at scenarios with less conservative assumptions.
 - d. Discussion regarding the Master Services Agreement with APX
 - e. Discussion regarding possible phase-in of retirement fee reduction, but decided not to do at this time
 - f. Discussion of Scenario 1b's revenue target
 - (1) If the issuance fee were reduced further, it wouldn't be in line with what other systems offer.
 - (2) Review of 2014 and 2015 revenue impacts of Scenario 1b with goal of not changing fees again next year
 - g. Discussion of low volume account fees
 - (1) Question of administrative time and cost of registering smaller generators. Amy will follow up with Bryan to determine if there are any concerns with time and if so to talk about ways to mitigate
 - (2) Propose 2 categories for low volume accounts. Deb and Amy will work on details.
4. Questions to consider
 - a. Discussion of final fee proposal due to APX by July 1 and related considerations of revenue collection and fee split ratio.
 - b. Fee structure proposal
 - (1) Deb and Amy will put together a letter to APX per elements as discussed above
 - (2) MOTION by Deb to submit a fee structure change proposal to APX that keeps the subscription fees the same except for adding new account types for low volume – one at \$250 annually for 1.5 MW and below and a second lower tier to be worked out with Amy, and which decreases the retirement fee to \$0.015– 2nd by Larry
 - (3) Motion passed on a voice vote.
5. Adjourn
 - a. MOTION by Pat to adjourn – 2nd by Susan. Motion passed on a voice vote.

The meeting was adjourned at 10:54 AM. Minutes submitted by Brian Rounds