
**NARUC Committee on
Energy Resources and the Environment**
***Renewable Energy Tracking Systems:
a Key Compliance Pathway to
EPA's Clean Power Plan***

February 16, 2015, Washington, DC

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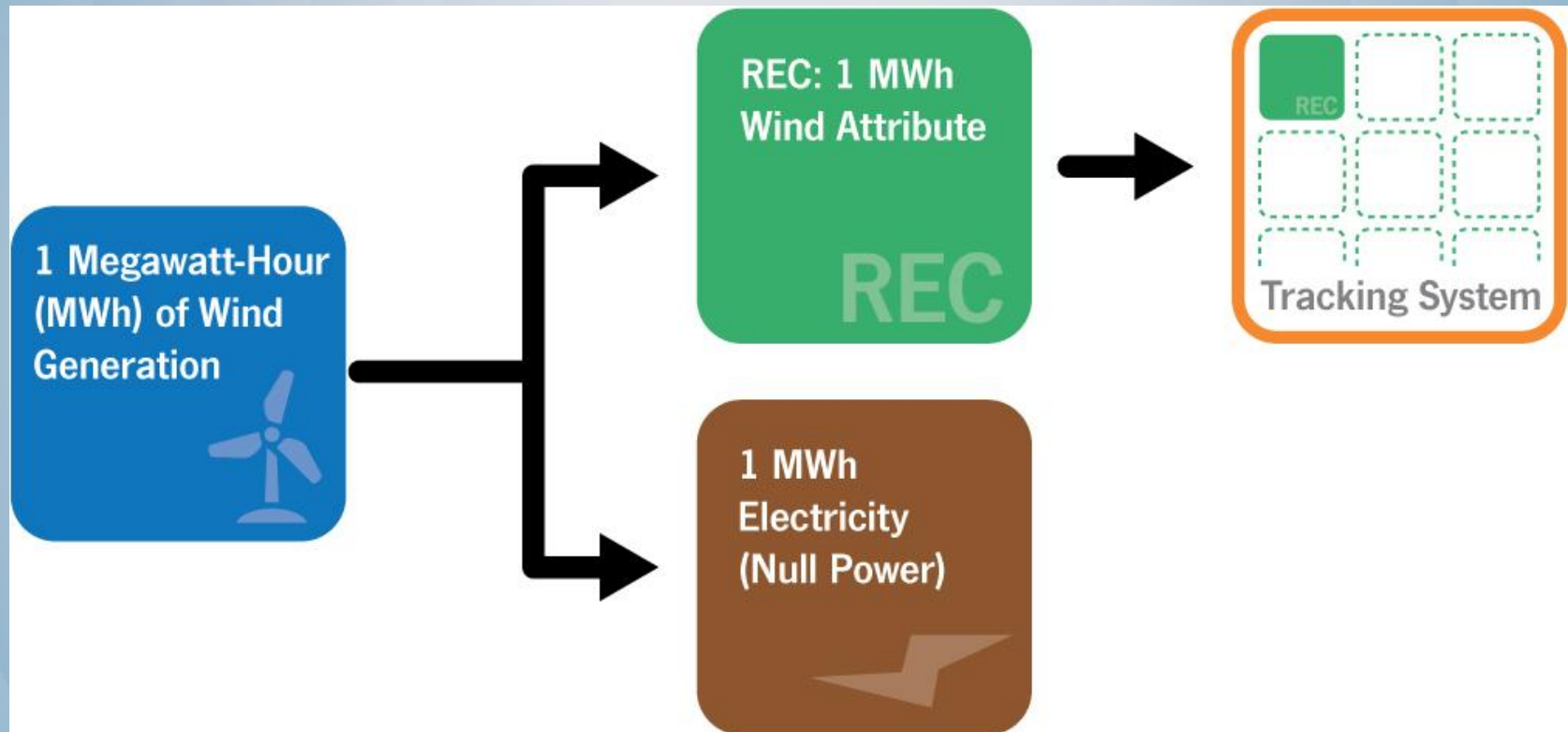
Executive Director, M-RETS Inc.



Overview

- REC Basics
- Role of Tracking Systems
- M-RETS and Regulatory Leadership
- Highlights of 111 (d) efforts
- RECs for 111 (d) compliance
- Stakeholder input
- 2015 research and planning

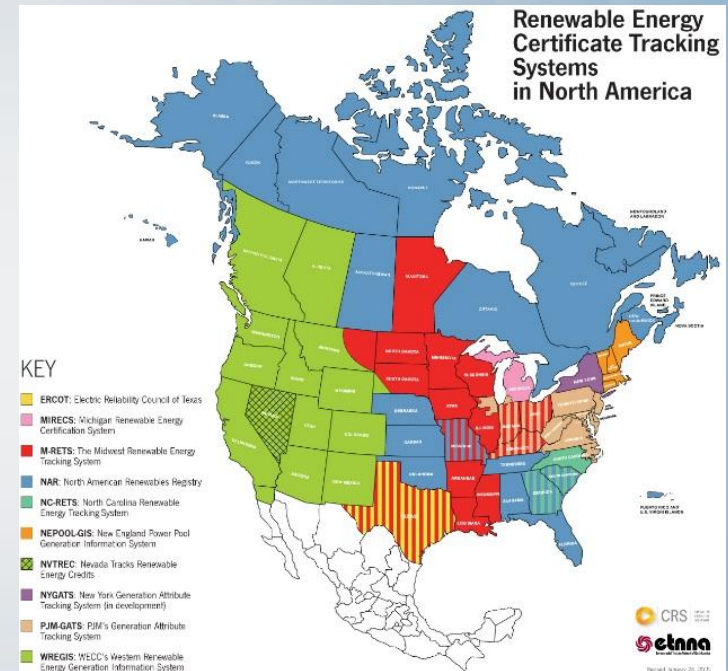
RECs Represent Legal Claim to Attributes of Renewable Generation



Source: Center for Resource Solutions

Verification and Validation Services

- Tracking systems are:
 - Existing tools in markets ensuring that RE is metered, tracked and accounted in robust, safe clearinghouse
 - Designated to independently issue RECs for production of RE by MWh with ID #'s **using data supplied by control areas**, thereby assuring accurate data



Tracking Systems Support REC Ownership Claims and Prevent Double Counting

1. Generation



2. Registration with M-RETS



3. Digital Certificate or REC Issued



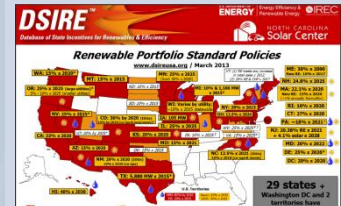
4. Determine Market for REC

Asset Owner's Account

LSEs and Other Account Holders*

Traders*

5. Retirement-Compliance Obligation or Voluntary Marketing Claim



***Deals occur bilaterally, through brokers and bulletin boards**

M-RETS Overview and Regulatory Leadership

- **Mission:** M-RETS efficiently tracks and verifies renewable energy generation in collaboration with stakeholders, facilitating renewable energy development in the public interest.
- Independent, quasi-governmental, non-profit
- M-RETS is regional, spreads costs over many users, resulting in efficient use of ratepayer dollars
- PSCW, MPUC role in our founding
- Developed out of stakeholder process with help of regulators, generation owners and utilities
- Current Board President at SDPUC
- Services are tailored to each state's RPS compliance, all with their own definitions of eligible renewable energy



How is M-RETS Data Tracked and Reported for Regulators?

For maximum transparency for state regulators, M-RETS provides accounts where Commission Staff can:

- Review and manage project eligibilities
- Verify compliance retirements
- Review all RECs issued

Compliance Report

- Verify REC Retirement Detail
- Review Summary of Retirements by Account Holder

Certificate Look-up Report

- View & Sort All RECs Issued
- Track Current REC Ownership

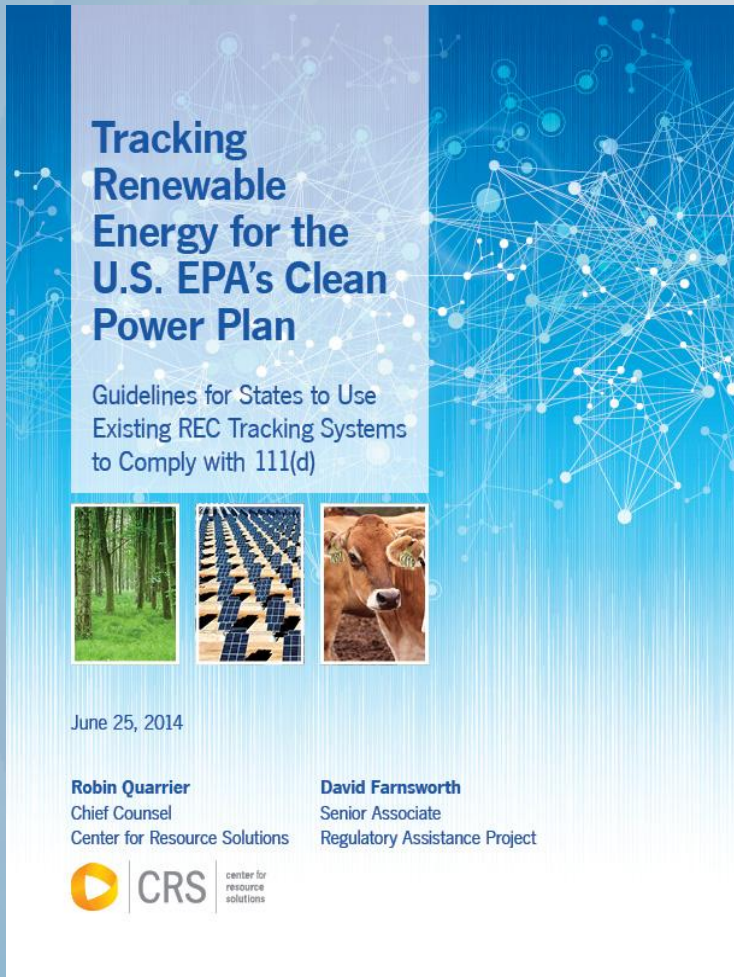
Program Eligibility Report

- Review Project Registration
- Edit Project Eligibility

Generator Production Report

- View Generation Loaded for all projects

Compliance Roots and Relationship to 111 (d)



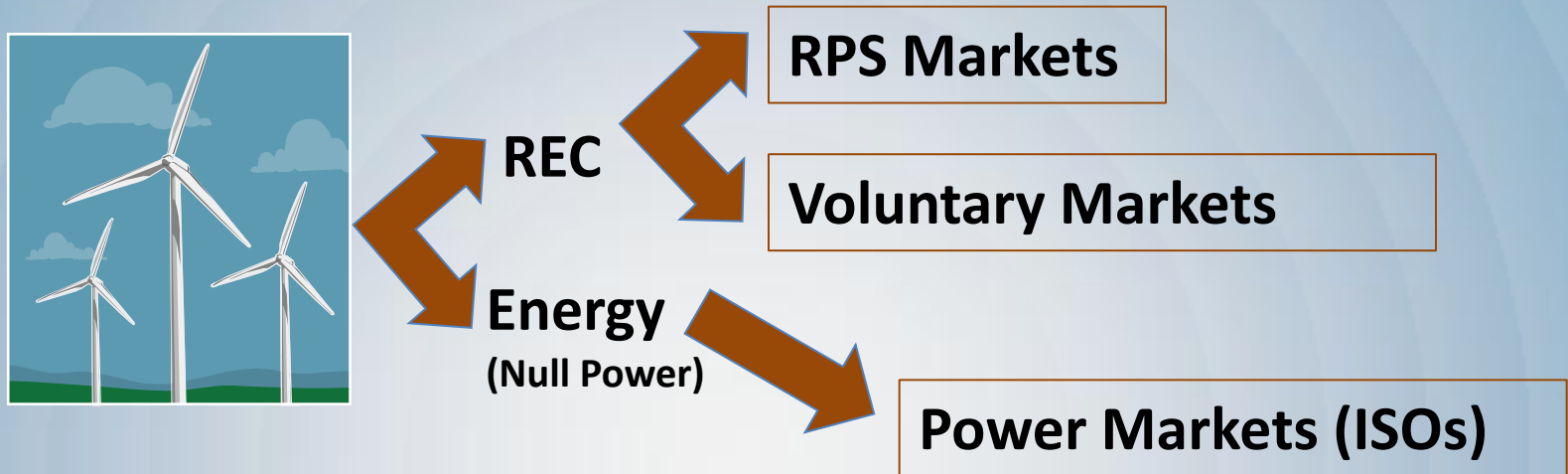
- Renewable generator participation in tracking systems is fairly high due to RPS requirements that generators participate in tracking systems.
- So, if a generator wants to sell RECs to meet RPS compliance, it will in most states be required to use a tracking system.
- Tracking systems are the best way a state can be sure it is tracking RE for state policies, and can provide assurance for 111(d) compliance.

How Might 111 (d) Mechanics Work?

Status Quo Infrastructure

Account Holder	ACME	ACME	ACME
Sub Account	StateX Renewable Energy Compliance	StateX Renewable Energy Compliance	StateX Renewable Energy Compliance
Retirement Types	RPS	RPS	RPS
M-RETS ID	M465	M763	M529
Generating Facility	Milam - Milam	Rolling Hills Wind Farm III - Rolling Hills Wind Farm III	Buffalo Ridge I - Buffalo Ridge I
Fuel Type	Biomass	Wind	Wind
Certificate Vintage	Apr-11	Jan-13	Apr-09
Certificate Serial Numbers	465-IL-04-2011-14905-1 to 1531	763-IA-01-2013-25475-15426 to 16167	529-SD-04-2009-6309-1 to 1040
Quantity	1531	742	1040
IL Utility	Yes	Yes	Yes
IL ARES	Yes	Yes	Yes
IA	No	No	No
MN	No	No	Yes
MN CBED	No	No	No
ND	No	No	No
SD	No	No	No
WI RPS	No	No	No
Green-e Energy	No	Yes	Yes
Ecologo Certified	No	No	No

111 (d) and Definition of Attributes



RECs (generally) include environmental attributes but how are they defined?

- Carbon?**
- Other Pollutants?**
- Other Benefits?**

Highlights of 111 (d) efforts

- Asking stakeholders how M-RETS can be of service for compliance reporting
- Communicating with regulators how RECs can fit into 111 (d) compliance and count for compliance



- To answer stakeholder questions, **examining potential roles M-RETS could play in helping states measure, verify and track reductions in carbon intensity**
- Tracking all power generation
 - Carbon emissions
- Tracking energy efficiency

National Collaboration



- WIEB coordination on compliance modelling consulting project
- Sharing ideas with WREGIS and APX to brainstorm tracking all power generation
- Submitted comments to EPA with PJM-GATS and NEPOOL-EIS

Thank You & Contact Information



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