WREGIS



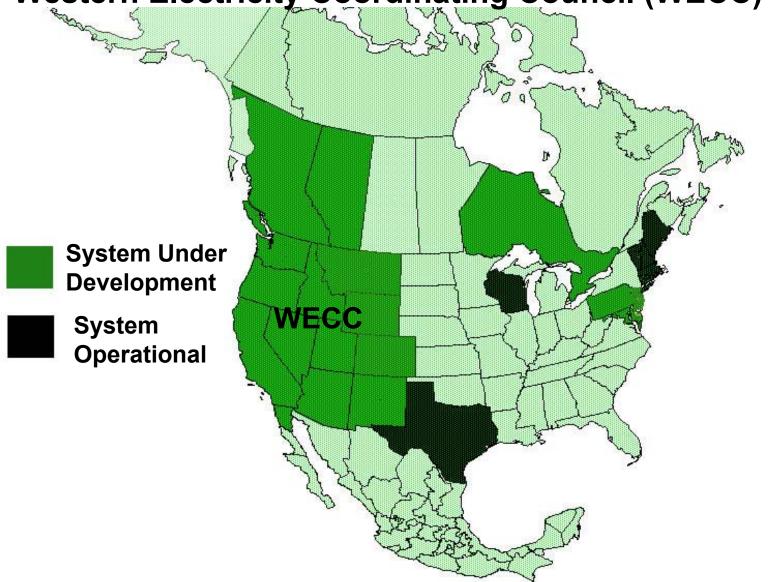
January 19, 2005 Rasa Keanini

What is WREGIS?

- Western Renewable Energy Generation Information System
- Voluntary independent accounting system for the region covered by the Western Electricity Coordinating Council (WECC) that:
 - verifies renewable energy generation
 - issues renewable energy certificates (certificates)
 - accounts for transactions involving certificates
 - supports voluntary and regulatory markets for certificates

WREGIS Geography

Western Electricity Coordinating Council (WECC)



WREGIS Policy Driver -- 1

SB 1078 -- California RPS legislation

"The Energy Commission shall do all of the following:...

(b) <u>Design and implement an accounting system</u> to verify compliance with the renewables portfolio standard by retail sellers, to ensure that renewable energy output is counted only once for the purpose of meeting the renewables portfolio standard of this state or any other state, and for verifying retail product claims in this state or any other state."

WREGIS Policy Driver -- 2

- Western Governors' Association (WGA) Energy Policy Roadmap
 - -- Single institution in the West
 - -- Issue, track and oversee REC trading
 - -- Independent, regional generation tracking system
 - -- Provide necessary data to verify RE generation

WREGIS Policy Driver -- 3

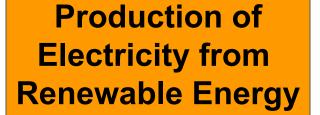
- Western Regional Air Partnership (WRAP) policy support for renewable energy as an air pollution prevention strategy.
 - Supports renewable energy
 - -- Supports regional tracking system

WREGIS Functions -- Generation

Verify renewable energy generation:

- use post-settlement data reported from control areas or an independent third party
- -- small generators may self-report
- build rules into system to check for discrepancies

What is a Renewable Energy Certificate?





Environmental Attributes



Commodity Electricity

Electricity generated from renewable energy comprises two distinct tradable commodities – the underlying electricity and the associated "environmental" attributes. Renewable energy certificates (known as WREGIS certificates if issued by WREGIS) represent a contractual right to the environmental attributes. The WREGIS certificates have value to consumers and can be sold separately from the electricity.

What's in a WREGIS Certificate?

- The electronic record of renewable generation
- Static and dynamic data fields
 - location
 - technology
 - owner
 - fuel
 - size
 - month/year of generation
- 1 WREGIS certificate = 1 megawatt hour

WREGIS Functions -- Certificates

Issue and retire certificates:

- For each MWh of renewable energy generated by a participating generator, WREGIS issues a WREGIS certificate with a unique serial number
- The WREGIS certificate will be transferred between accounts when the buyer and seller notify WREGIS
- WREGIS certificates can be retired to show compliance with various programs
- -- verifies property rights

WREGIS – Policy Neutral

- Tool for implementing policy
- Definition of renewable energy accepts renewable energy that qualifies as eligible for any program/state
- Characteristics on certificates
- Bundling vs. <u>unbundling</u>
- "Whole" certificates vs. disaggregated

WREGIS Will Support Regulatory Oversight of ...

- Renewable portfolio standards
- Information disclosure rules
- Consumer protection
- Expenditure of public benefit funds
- Establishing ownership of certificates

Outstanding Issues – CA RPS

Related to WREGIS:

- Ownership of baseline certificates
- Ownership of distributed generation certificates
- Deliverability
- Consideration of unbundled certificates for RPS compliance

Challenges to WREGIS

- multiple states
- multiple control areas
- involved stakeholder process
- using California funds to establish a regional system
- institutional home outside of California
- deliverability issues

For More Information:

WREGIS website:

www.westgov.org/wieb/wregis/

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