

# Renewable Portfolio Standards in the West

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# IVG Energy



- Independently owned
- Targeted market coverage
- Extensive customer base of over 600 companies
- Neutral market intermediary
  - Commitment to maintaining customer privacy and confidentiality



# REC Trading

- 1 REC is created by generating 1 MWhr of renewable electricity
- REC's are tracked and traded separately from physical electricity
  - WREGIS tracking system
  - Paper Attestations
- Unbundled
  - CEC certified
  - I-937 eligible
- Bundled
  - Energy and REC's together

# RPS Compliance Markets



- Core requirements for REC market eligibility
  - Type of generation
  - Location
  - Commercial Operation Date (COD)
- Further considerations
  - Carve outs
  - Fuel mix
  - Physical delivery requirements

# Buying and Selling



- Bilateral and RFOs
- Duration
  - Long-term
  - Short-term
- REC title is typically transferred via an electronic tracking system, cash is settled separately
- Contracts
  - WSPP

# REC Price Overview



- REC prices are driven by supply/demand balance
- Compliance REC's priced the same regardless of technology
- Unbundled REC markets are well supplied in the 2011-2015 time period and prices have been trending lower

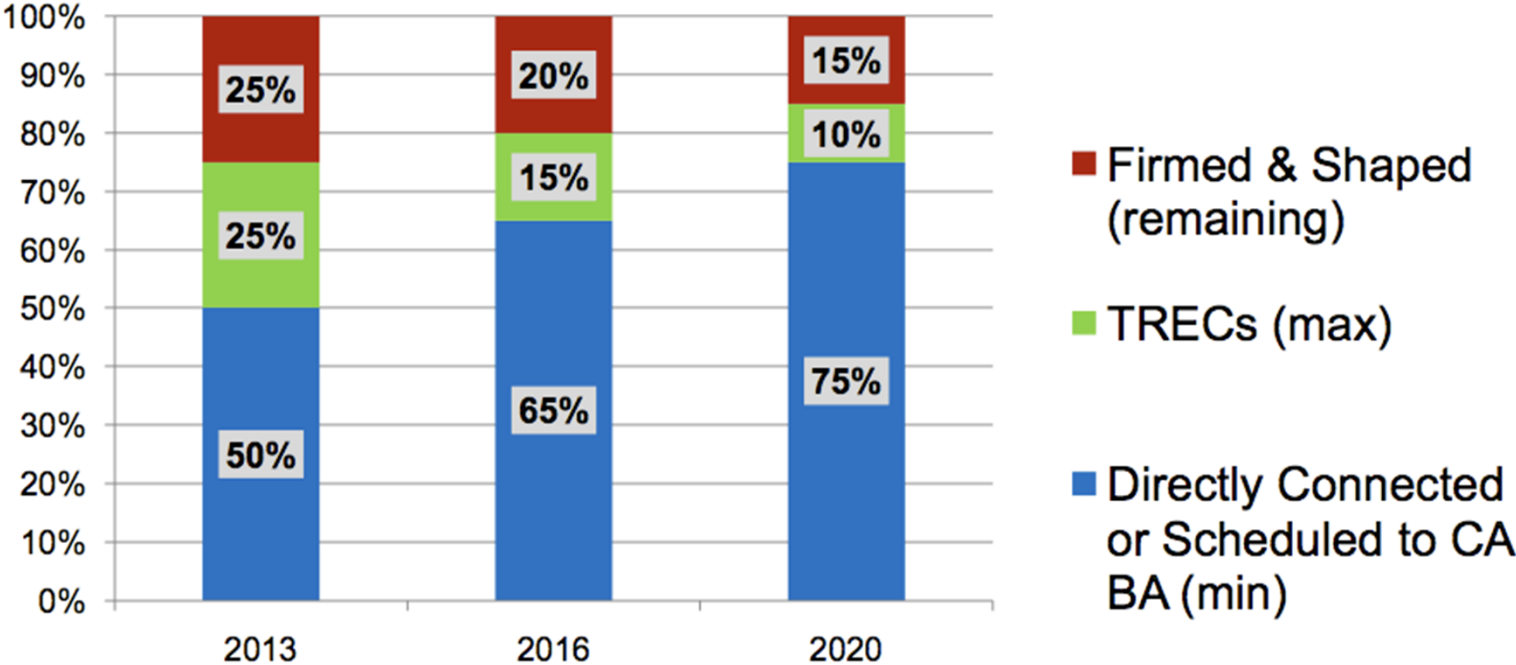
# California Markets



- CA recently passed SB 2 which increases the RPS requirement to 33% by 2020, and includes POU's
- New RPS creates 3 product content categories
  - Directly Connected
  - Firmed and Shaped
  - TREC's
- Renewable natural gas

# CA Markets continued

## Procurement Requirements



# Washington Markets



- WA has increasing RPS standard
- 17 LSE's mandated requirement
- Unbundled REC's

# Contact Details



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