



The State of North American REC Markets

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Introducing APX Inc.

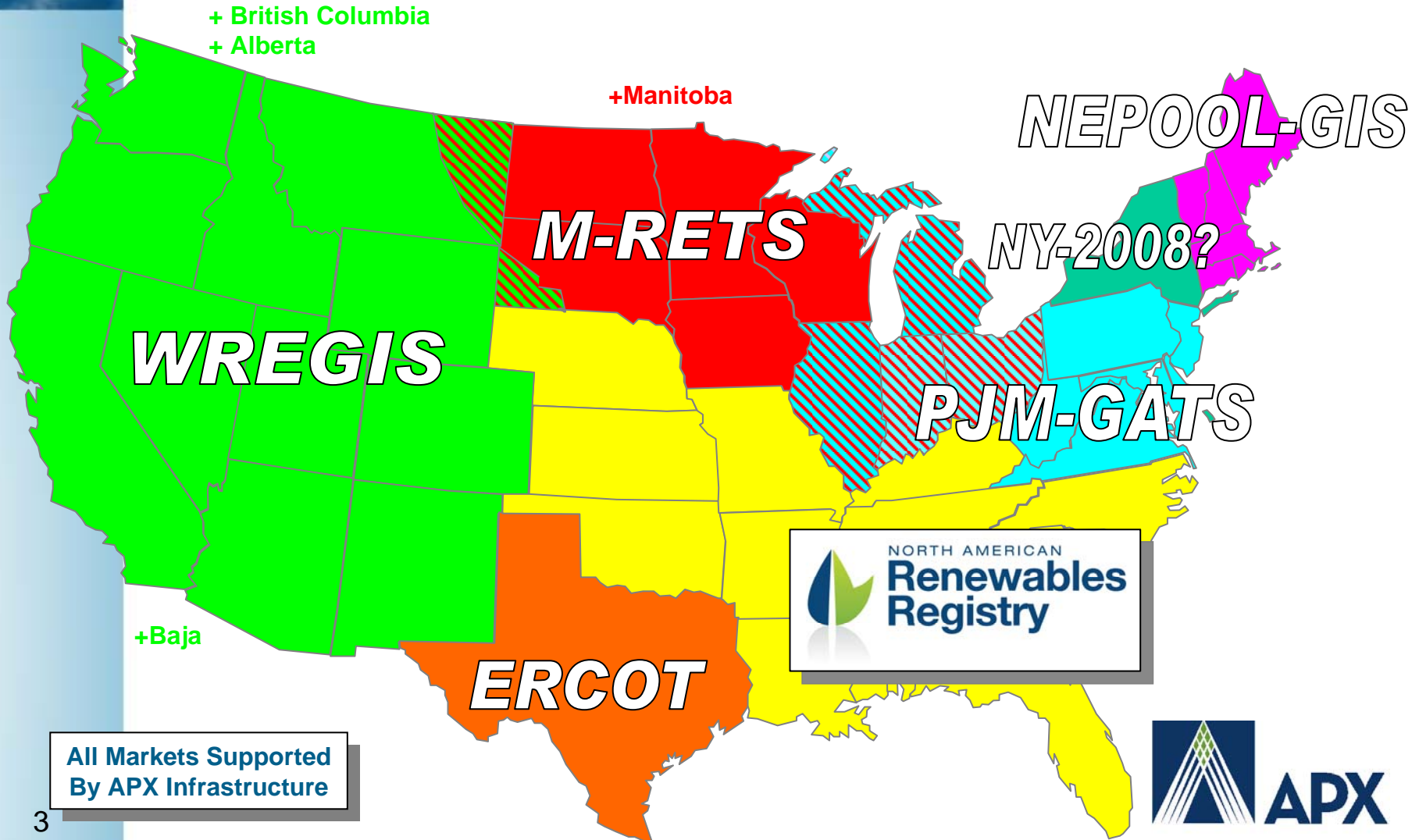
Providing the highest quality infrastructure for environmental and energy markets



- Serving major North American Renewable Energy Markets
- Serving Leading Carbon Standards
 - CCAR’s Climate Action Reserve
 - The Gold Standard
 - Voluntary Carbon Standard (VCS)
- Independent & Policy Neutral



North American REC Markets



All Markets Supported
By APX Infrastructure



- **Planned and Intended to Complete National Coverage:** Provides REC origination for facilities located in states without a tracking system
- **Support for Corporations:** Substantiation of “carbon neutral” and green claims
 - Tracking for voluntary REC programs
 - Carbon Avoidance attribute calculated for each REC



M-RETS: What's New in 2008

- All Minnesota utilities subject to the state REO/RES were required to open an account in M-RETS and have their RECs issued there.
- Discussions for import/export of RECs with compatible tracking systems began
- Ohio and Michigan passed RPS legislation -- possibility of joining the M-RETS system
- First compliance reporting year for Wisconsin utilities was successfully achieved using the M-RETS System.
- M-RETS became incorporated – establishing a Board of Governors
- Celebrated its 1 year anniversary from launch



NEPOOL GIS: What's New in 2008

- First Energy Efficiency eligibility issued under CT Class III for Demand Response
- Began tracking of New Hampshire RPS
- Began tracking of Maine's new eligibility standards
- Began loading EPA emissions data for RGGI reporting needs
 - Added additional generating facility attribute fields for RGGI
- Updates made to Rhode Island's standards and tracking

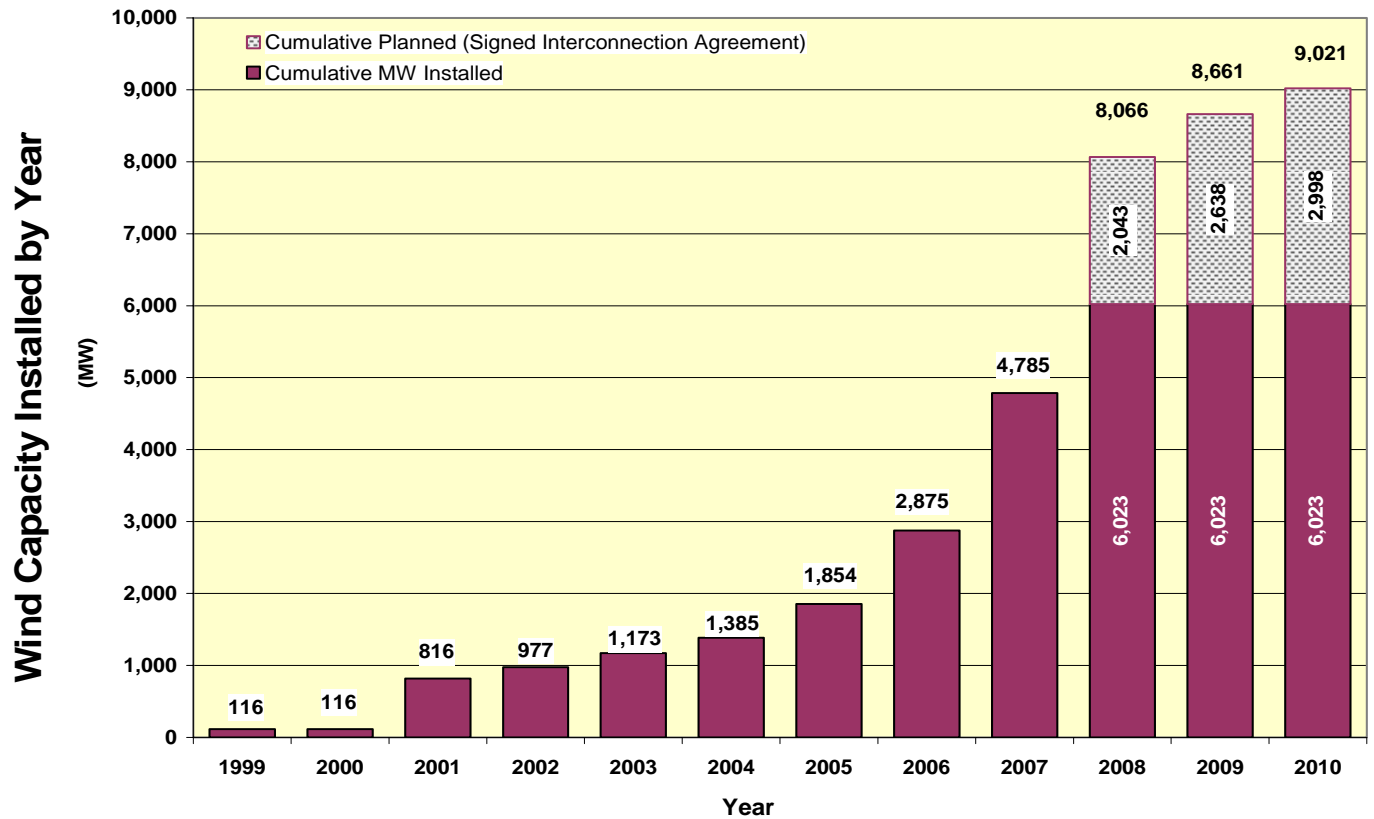


Texas RECs: What's New in 2008

- Generation Interconnection Requests for more than 53,000 MW of wind resources are currently being processed
- Texas RECs are becoming available to meet demand from other regions and voluntary markets
- Begun discussions with surrounding tracking systems regarding import/export of RECs for REC only transactions
- Texas began issuing Compliance Units as well as RECs to non-wind renewables. Green-e Energy decided that Compliance Units should be bundled with a REC in order to avoid double counting of the renewable and environmental benefits.



ERCOT Wind Generation Capacity



(as of September 30, 2008)

Source: ERCOT System Planning Division Monthly Report, October 2008.



WREGIS: What's New in 2008

- CAISO signed up as a Qualified Reporting Entity – opening the door for the 3 IOUs to register all of their generators in earnest
- Significant increase in participation from other WREGIS states – notably Oregon, Montana, Colorado, New Mexico and California
- Began discussions with surrounding tracking systems regarding import/export of RECs for REC only transactions.
- Began development of functional requirements for imported energy for CA RPS rules
- Celebrated its 1 year anniversary from launch



PJM GATS: What's New in 2008

- Began tracking Energy Efficiency credits for Pennsylvania
- Began discussions with surrounding tracking systems regarding REC only import and export
- Some stakeholders asked PJM GATS to start tracking Emission Free Energy Certificates (EFEC). EFEC's could come from nuclear and big hydro facilities as well as all renewable energy resources. This initiative is opposed by some in the environmental market community.



Market Participants

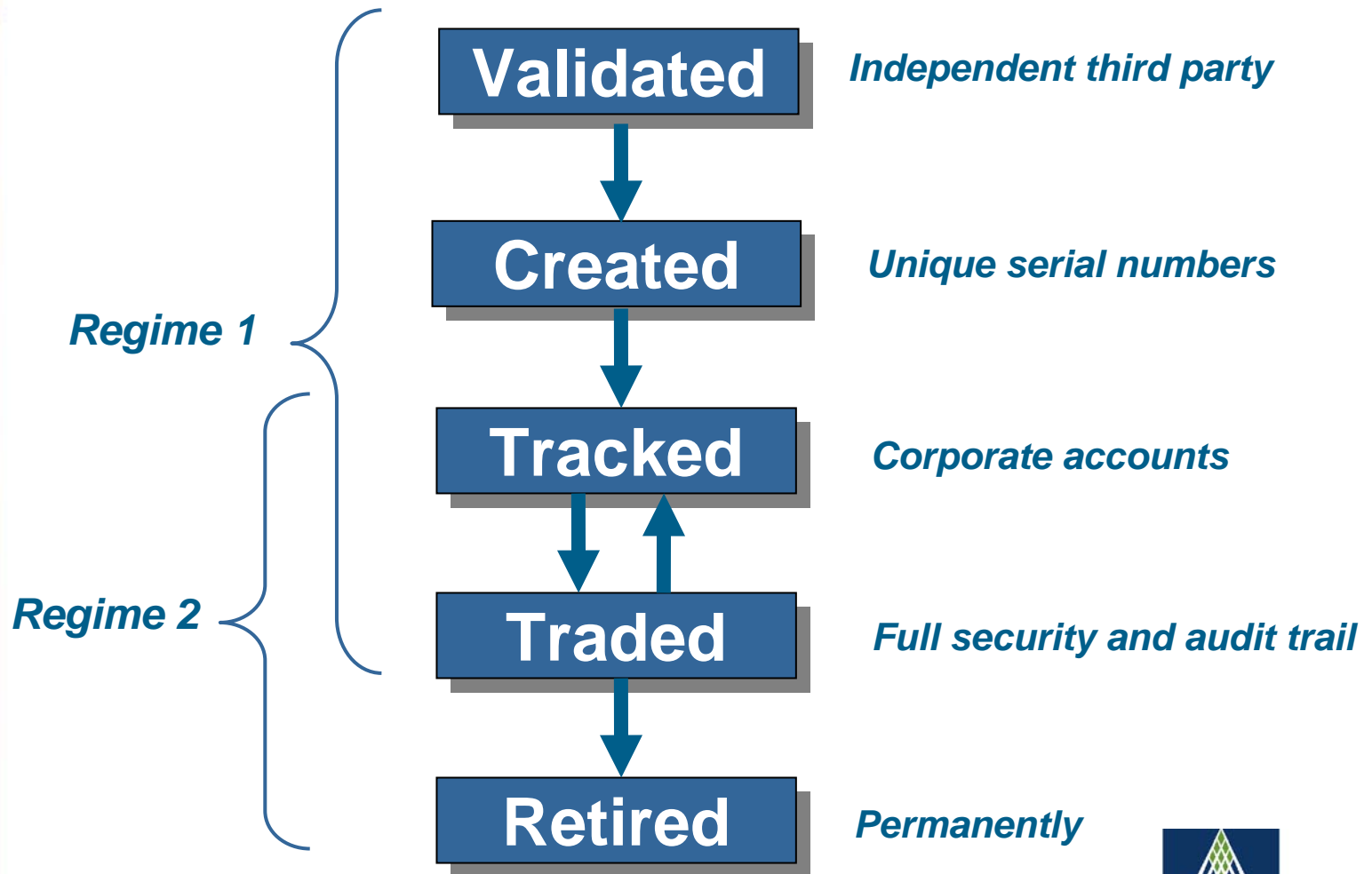
Regional REC Markets

	Organizations	Generators	Traders, Brokers, Retailers	LSEs, Utilities
NEPOOL	286	173	110	99
ERCOT	228	56	70	95
WREGIS	198	135	46	64
PJM	184	124	58	59
M-RETS	65	22	14	33
Total	961	510	298	350
Total All Markets	814			
Cross Market Firms	147			
	18%			

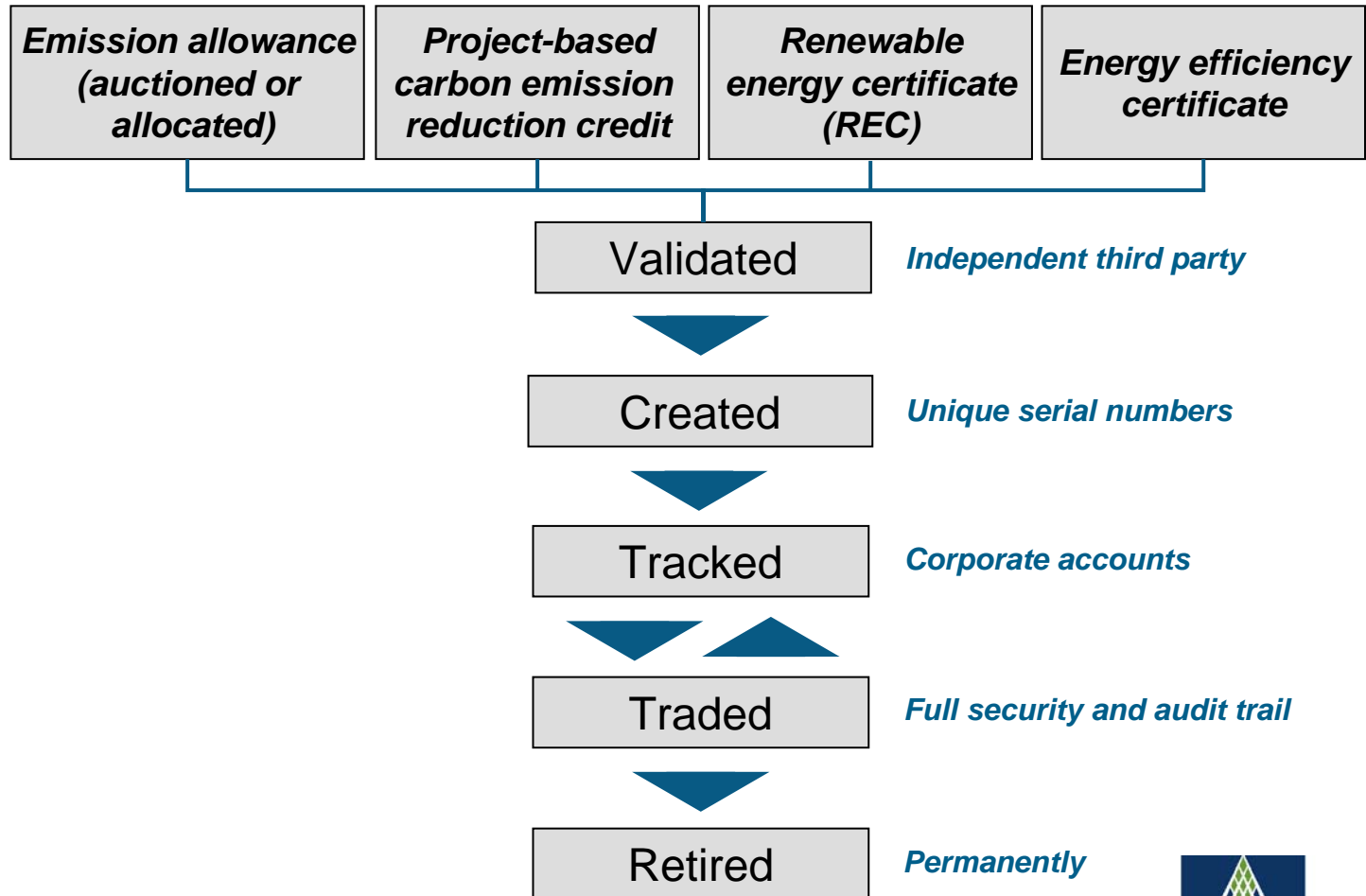


Ensuring Cross Market Accountability

Multi-jurisdictional approaches



Environmental Registries: Ensuring Trust and Transparency



Contact Information

Thanks for attending!

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