

Introducing APX Inc.

Providing the highest quality infrastructure for environmental and energy markets



- Supporting Major North American Renewable Energy Markets
 - Electric Reliability Council of Texas (ERCOT)
 - Midwest Renewable Energy Tracking System (MRETS)
 - Michigan Renewable Energy Certification System (MIRECS)
 - New England Power Pool Generation information System (NEPOOL GIS)
 - North American Renewables Registry (NAR)
 - PJM Generation Attribute System (GATS)
 - Western Renewable Energy Generation Information System (WREGIS)
- Serving Leading Carbon Standards
- Independent & Policy Neutral



Clients

- Corporations
- Power Sector
- Financial Services
- Government
- NGOs

- 1200+ corporate accounts in APX systems



Renewable Markets

Regional renewable market structures will provide the backbone for new federal renewable policies. New markets, polices and credits require cross-registry REC transfers.



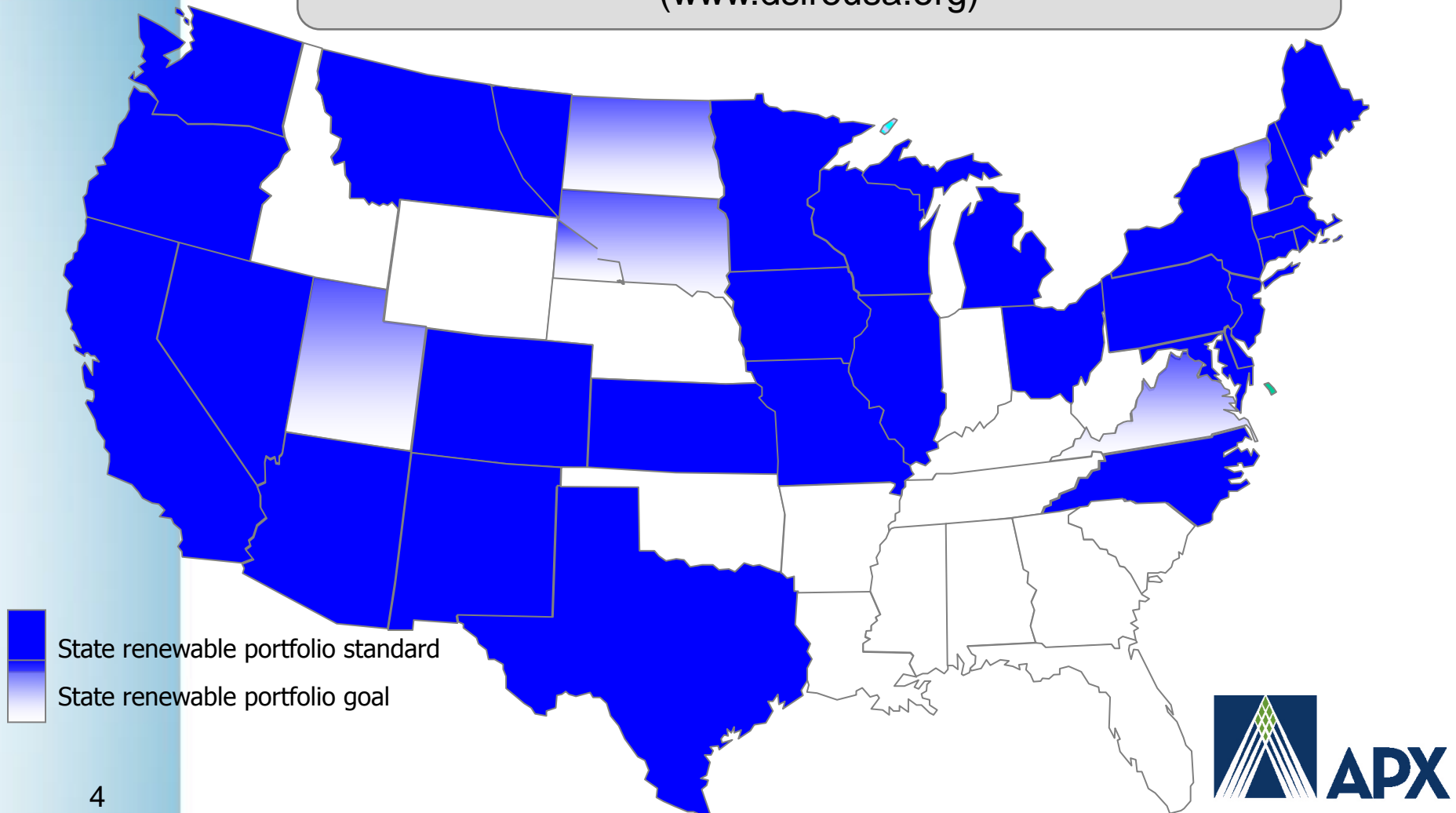
Topics of Discussion:

- Enabling Renewable Energy Markets
- Expanding Scope of Registries (Alternative Energy Credits, Energy Efficiency Certificates, Incentive Credits/Multipliers)
- Environmental Portfolio Management



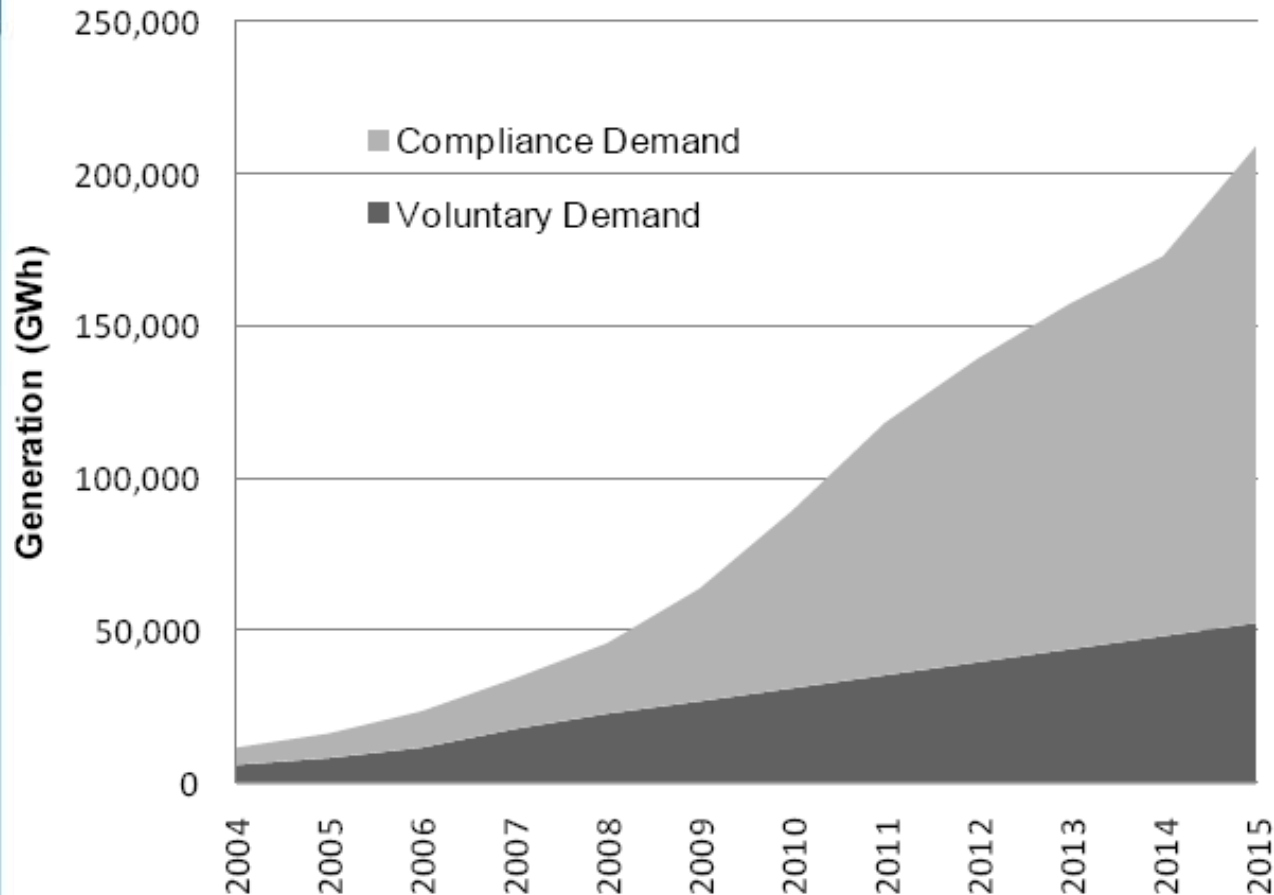
Renewable Portfolio Standards

29 states & DC have an RPS – 5 states have goals
(www.dsireusa.org)



REC Market Growth

Historical and Projected: Doubling in 3 yrs



Source: Bird, Hurlbut, Dobohoo, Cory & Kreycik (March 2009) *An Examination of the Regional Supply and Demand Balance for Renewable Electricity in the United States through 2015*. National Renewable Energy Laboratory:
<http://www.nrel.gov/docs/fy09osti/45041.pdf>



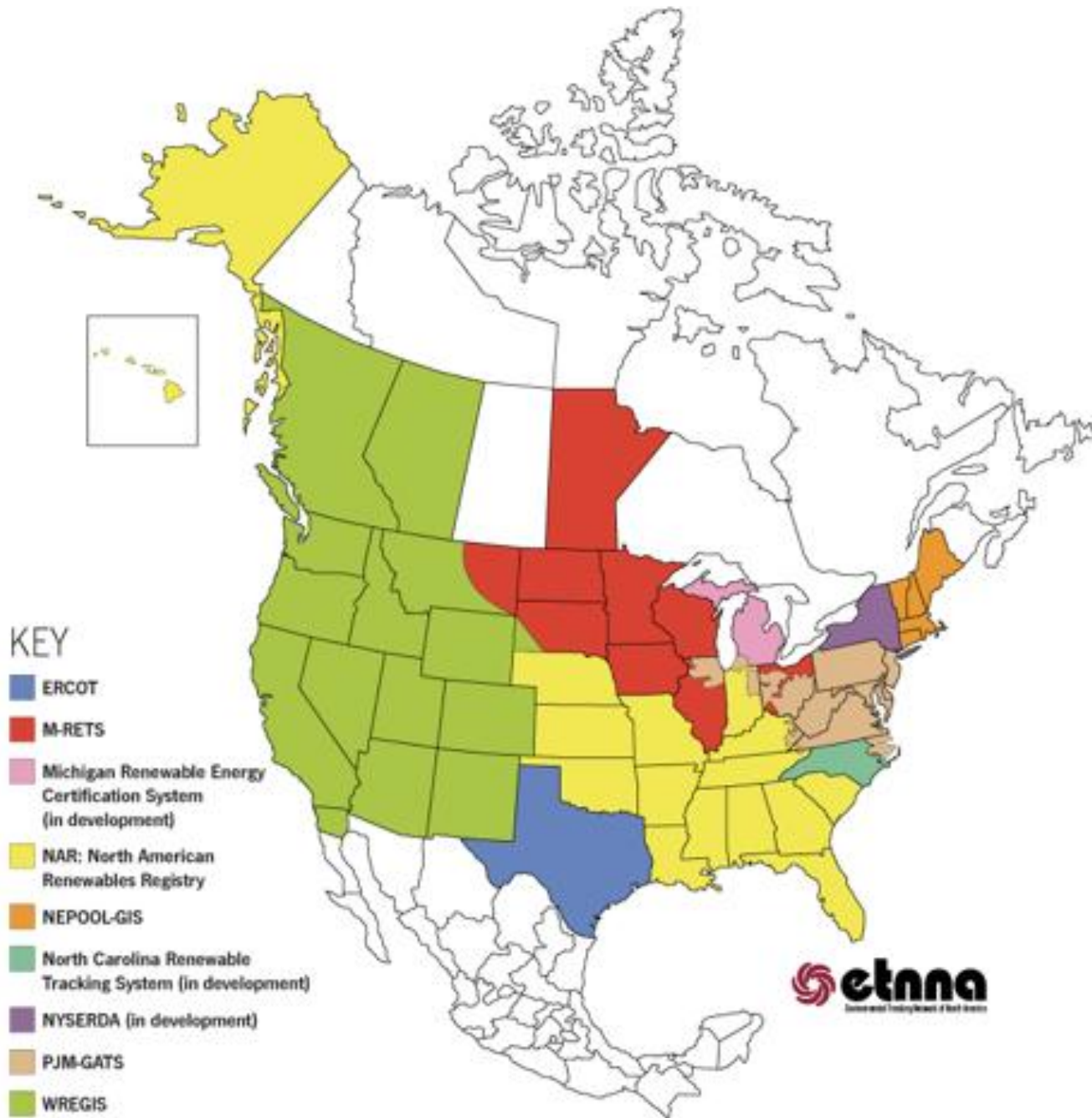
National Renewable Energy Laboratory

- “Under both [...] scenarios, renewable energy deficits are projected for New England, New York, and the Mid-Atlantic areas with notable surpluses projected for the Midwest, Heartland, Texas, and the West.” (National Renewable Energy laboratory 2009)

REC Market Size

RPS States	30
RPS States that allow bundled out-of-state RECs only	10
RPS States that allow for unbundled RECs (and bundled RECs)	7
2007 REC Volume	30 million RECs
Projected 2015 Demand	200 million RECs (+~100 million federal RECs)





National Renewable Energy Transfers

- A National REC Infrastructure can be achieved by establishing:
 - A Renewable Project Database
 - A Central Depository for Inter-registry Transfers
 - Inter-registry Communication Protocols
- Regional registries and stakeholders are working to enable these links
 - ETNNA
 - Michigan, M-RETS and NAR



Expanding Scope of REC Registries

- New credits/certificates include:
 - Alternative Energy Credits
 - Energy Efficiency Certificates
 - Incentive Credits (or multipliers)
- Substitution Rules
- Eligibility Expiration
- Commodity interactions
 - Landfill Gas (GHG and REC)
 - Combined Heat & Power (EEC & REC)



Environmental Markets

- 30 Regional RPS Policies
- RGGI
- WCI, AB32, Federal Cap & Trade
- Acid Rain programs
- Offsets
- Voluntary Markets

One in five registry account holders is participating in more than one registry



Environmental Management Account

- What do I own?
 - Provide a single-view of environmental assets across jurisdictions, registries, and programs. Reduce internal administration and tracking costs.
- What is it worth?
 - Portfolio valuation
- Where are the assets eligible?
 - Provide full eligibility information across all compliance and voluntary programs



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