

NC-RETS STAKEHOLDER GROUP
Meeting Minutes
October 11, 2011

1. Welcome/Introductions	Kim Jones, NCUC
2. Cost Recovery Functionality – Process for Removing Cost Recovery Flag for Non-IOUs	<p>Bryan Gower, NYSE Blue</p> <p>Background: Investor Owned Utilities in North Carolina are the only utility types that have rate riders for REPS costs that are regulated by the Commission. RECS marked with the “Cost Recovered” flag in NC-RETS are subject to a compliance requirement to use a REC for REPS compliance within seven years from when the REC is cost recovered. Cooperatives and Municipal Utilities are not subject to this deadline. All RECs are now flagged as “cost-recovered” at the time they are created or imported. NCRETS will remove the REPS eligibility flag after seven years deeming the RECS ineligible for REPS Compliance. If Cooperatives or Municipal Utilities plan to keep active RECS in their accounts beyond 7 years, the flag should be removed to prevent them from losing eligibility.</p> <p>Proposed Solutions:</p> <ol style="list-style-type: none"> 1) Suspend Functionality – NC-RETS allows North Carolina Electric Power Suppliers to remove the cost-recovered flag from the RECs in their account using the “Suspend” button located in the Cost Recovery Report. 2) Develop a solution to automatically remove the Cost Recovered flag from RECs owned by Cooperatives or Municipal Utilities <p>Discussion: NYSE Blue: Solution One (1) permits non IOU account holders to use existing functionality to remove the cost recovered flag when they need to. Only RECS approaching their seventh year after being marked cost recovered would need to have the flag removed. RECs retired for REPS compliance before the seventh year do not need to have the flag removed.</p> <p>Solution Two (2) would use budgeted development time because it changes the cost recovered functionality approved by NCUC and NC-RETS subscribers.</p> <p>The current functionality does not restrict RECs without the REPS Eligibility from being retired for compliance. The Compliance Report will allow ineligible RECs to be used for compliance, and includes them in the calculations of total retired RECs. Allowing RECs not eligible for REPS to be retired may add challenges for the NCUC in verifying REPS Compliance. NYSE Blue will submit a cost estimate to implement Solution 2 referenced above.</p>

	<p>GreenCo Solutions: GreenCo expressed that it may be laborious to require Cooperatives and Municipal Utilities to suspend their own REC cost recovery flags.</p> <p>NCUC : We don't expect to Municipals and Cooperatives to keep RECs longer than 7 years, but there is no restriction. It is not acceptable that NC-RETS allows ineligible RECs to count toward compliance. This is contrary to our initial specifications and needs to be fixed by NYSEBlue.</p>
3. Import/Export Update	<p>Bryan Gower, NYSE Blue</p> <p>Background: At PJM-GATS the infrastructure to Import/Export RECs will be in place end of year. NYSE Blue and PJM are working on establishing a contract to facilitate transfers.</p> <p>Discussion: NC-RETS Account Holders need the functionality for 2012 REPS Compliance. NYSE Blue will inform NCUC and stakeholders if/when there is a need to contact PJM to express the need for the functionality to be operational.</p>
4. Net Metering	<p>Kim Smith, Duke Energy</p> <p>Background NCUC awarded RECs from small net metered projects that are on a standard (non TOU) tariff to utilities. Utilities have expressed struggles the get facility owners to install meters and register projects in NCRETS</p> <p>Discussion: Duke: Is it ok for the utility to aggregate and self report? NCUC: Encouraged utilities to look at Progress Energy's SunSense program, as well as the annual filings made in E-100, Sub 101A. Duke will work on a proposal and for discussion at the next subscriber group meeting</p>
5. Adjourn	<p>Kim Jones, NCUC</p> <p>Next Subscriber Group meeting November 8th, 3pm</p> <p>For November Agenda</p> <ul style="list-style-type: none"> • Cardinal Energy submitted a Change Request on 3/29/2011 to establish the ability to automatically forward RECs that enter sub-accounts to another NC-RETS Account Holder. Stakeholders agreed to re-visit this request later on in the year. It would require 54 hours of development time. • Cost Recovered flag removal for municipals and cooperatives –

	<p>NYSE will develop a time estimate.</p> <ul style="list-style-type: none">• Any other proposals for using of the 51 hours of remaining 2011 development time.• Net Metering: Duke's suggested solution for how to register and report data for net-metered projects
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