

**NC-RETS STAKEHOLDER GROUP**  
**Meeting Notes**  
**November 8th, 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><b>Background:</b>  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. NC-RETS 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. The stakeholder subgroup that drafted the original <b><u>CRITERIA FOR MARKING COST RECOVERY YEARS TO RECs IN NC-RETS</u></b> document failed to distinguish rules between IOU and Non IOU accounts resulting in the current Cost Recovery functionality.</p> <p><b>Proposed Solution:</b></p> <ol style="list-style-type: none"> <li>1) Change Request 008 Cost Recovery  Adding validation to remove Cost Recovery Flag from RECS in non IOU accounts. This will take 12 hours of development time.</li> </ol> <p><b>Discussion:</b>  Development of CR 008 will likely be implemented in 2012, rather than 2011. NYSE Blue will report a more exact date after consulting with development group.</p> <p><b>NCUC:</b> Would like these development hours t count toward the 2011 budget even if it’s not delivered until 2012. Subscribers expressed that they didn’t know NYSE Blue allocates the development hours in the year delivered and strongly feel that the hours should be allocated in the year enhancement is approved.</p> <p><b>NYSE Blue:</b> Development is usually recorded in the year the enhancement is delivered. NYSE Blue will consider NCUC’s request.</p> <p><b>NCUC:</b> Encourages NYSE Blue to deliver CR 008 in 2011.</p>

	<p><b>Decision:</b> Change Request 008 is Approved</p>
<p>3. Change Request 002 – Standing Orders (Cardinal Energy)</p>	<p>Bryan Gower, NYSE Blue</p> <p><b>Background</b> Cardinal introduced Standing Order functionality based on initial ideas for how they would use NC-RETS. They now find value in manually transferring RECs to allow time to review transactions.</p> <p><b>Discussion</b> <b>NCUC:</b> Could this change request be implemented/ allocated in 2011? <b>NYSE Blue:</b> This is a large change (54 hours) and there isn't a scheduled NC-RETS release in the remaining 6 weeks of 2011. It is likely that it would be scheduled in the beginning of 2012. If released in 2012, the hours would be charged to the 2012 budget. After change requests are approved, we meet with our development staff to schedule a release. After the release date is scheduled, NYSE Blue will notify the stakeholders and NCUC.</p> <p><b>Progress:</b> Expressed concerns about not knowing when a change request will be implemented prior to approving it.</p> <p><b>NYSE Blue:</b> Are there any Stakeholders expressing a strong interest in adding this functionality to NC-RETS? In our experience, the Standing order functionality is not used by account holders. (No one expressed strong interest in this functionality.)</p> <p><b>NCUC:</b> Postpone request until January 2012 Stakeholder meeting.</p>
<p>3. Import/Export Update</p>	<p>Bryan Gower, NYSE Blue</p> <p><b>Background</b> The Import/Export Functionality is currently in development. We are working to finalize a contract with PJM to use the Import/Export functionality. NC-RETS Account Holders need the functionality for 2012 REPS Compliance.</p> <p><b>Question:</b> Should the NCUC send PJM a letter about the contract agreement/ reasonable Fees? When should they send it and to whom?</p> <p><b>Answer:</b> 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> <p><b>Question:</b> Concern expressed regarding PJM export fees.</p>

	<p><b>Answer:</b> PJM charges account holders \$0.10 per REC for exports, NC-RETS and WREGIS charge \$0.01 per REC for exports.</p> <p><b>Question:</b> What is the current process for ERCOT exports and will it change ?</p> <p><b>Answer:</b> The Process will not change because ERCOT is not updating its registry to interface with NYSEBlue’s new functionality. The current process is posted on the NC-RETS website:  <a href="http://www.ncrets.org/resources/ercot-ncrets-exports.htm">http://www.ncrets.org/resources/ercot-ncrets-exports.htm</a></p> <p><b>From the Posted ERCOT EXPORT Process:</b></p> <ol style="list-style-type: none"> <li>1. Seller will transfer RECs from their ERCOT account to APX, Inc (APX, Inc. f/b/o NC-RETS) account in ERCOT.</li> <li>2. Seller will download the "Export Request Form," fill out the details, sign and email to the NC-RETS Admin (NCRETS@nyseblue.com)</li> <li>3. The NC-RETS Admin will ensure the details are complete, the facility is approved by the NCUC and then forward the Export Request Form to the buyer in NC-RETS for confirmation.</li> <li>4. Upon confirmation from the buyer in NC-RETS, the ERCOT REC transfer will be accepted in APX, Inc (APX, Inc. f/b/o NC-RETS) account in ERCOT. Or upon rejection by the buyer in NC-RETS, the ERCOT REC transfer will be rejected by the APX, Inc (APX, Inc. f/b/o NC-RETS) account in ERCOT.</li> <li>5. Once the transfer is accepted in ERCOT by the APX, Inc (APX, Inc. f/b/o NC-RETS) account, the NC-RETS Administrator will proceed with the transaction in NC-RETS.</li> <li>6. Once the buyer receives the RECs in NC-RETS, the APX, Inc (APX, Inc. f/b/o NC-RETS) account in ERCOT will retire the RECs in ERCOT and provide final confirmation via email to both the buyer and seller.</li> </ol>
4. Net Metering	<p>Kim Smith, Duke Energy</p> <p><b>Background</b>  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 NC-RETS</p> <p><b>Discussion</b>  Duke will work on a proposal for discussion at the next Stakeholder meeting. Emilie (Duke) will let us know ASAP if they will have a proposal ready by the December 6<sup>th</sup> Stakeholder meeting or if the meeting needs to be pushed to another date.</p>
5) EE RECS for 2012	<p><b>Background</b>  The Commission has an open docket on measurement and verification for energy efficiency and demand side management. NCUC issued an</p>

	order asking NC-RETS account holders to stop uploading EE RECs until it issues an order in that docket.
5. Adjourn	Kim Jones, NCUC  Next Subscriber Group meeting December 6th, 3pm <b>For December Agenda</b> <ul style="list-style-type: none"><li>• Net Metering: Duke's suggested solution for how to register and report data for net-metered projects</li></ul>