

# CL&P Green Energy Purchasing

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# What is a REC

- Renewable Energy Certificate
- Renewable attribute of generation
- One REC for each MWh of renewable generation
  - Traded separately from the underlying energy
  - Traded about six months in arrears
  - Traded outside of the ISO-NE markets
- Subset of Generation Information System (GIS) certificates
  - A renewable “check mark” on the GIS certificate makes it a REC
  - The states control the check marks

# Types of Connecticut RECs

- Class I
  - Solar
  - Wind
  - Landfill gas
  - Fuel Cells
  - Low emission biomass
  - New (after 7/1/03) hydro < 5MW
- Class II
  - Trash to energy
  - Older (before 7/1/03) hydro <5MW
  - Relaxed emission biomass
- Class III
  - Conservation & Load Management
  - Combined Heat and Power
  - Demand Side Management

# Renewable Portfolio Standards

- The minimum required percentage of renewable generation in the energy delivered to customers
- They vary from state to state
- Retail electricity suppliers must show they have enough RECs to meet the minimum requirements
- If suppliers do not have enough RECs, they must make an Alternative Compliance Payment (ACP)
- CT ACPs
  - \$55 for Class I and II
  - \$31 for Class III

# Connecticut RPS Requirements

	<u>Class I</u>	<u>Class II</u>	<u>Class III</u>	<u>Total</u>
2010	7.0	3.0	4.0	14.0
2011	8.0	3.0	4.0	15.0
2012	9.0	3.0	4.0	16.0
2013	10.0	3.0	4.0	17.0
2014	11.0	3.0	4.0	18.0
2015	12.5	3.0	4.0	19.5
2016	14.0	3.0	4.0	21.0
2017	15.5	3.0	4.0	22.5
2018	17.0	3.0	4.0	24.0
2019	19.5	3.0	4.0	26.5
2020	20.0	3.0	4.0	27.0

# CL&P Compliance with RPS

- CL&P has RPS requirements for standard service and last resort service
- These RPS requirements are passed on to wholesale suppliers
- The suppliers must provide RECs to CL&P
- If suppliers don't provide RECs, they must provide the ACP
- CL&P makes the regulatory filing to demonstrate compliance
- CL&P also receives RECs via long-term contracts with generators
  - These are sold into the REC markets