

Rhode Island Renewable Energy Standard

Instructions for completing Table One and Documenting Information

The Annual Compliance Filing is being provided as an editable MS Word document. Table One is being provided electronically as a MS Excel spreadsheet. In your signed, hard copy version of the Filing, you may provide a printout of the electronic spreadsheet of Table One referenced above. In addition, you *must* send the electronic spreadsheet version of Table One to the RI PUC by e-mail at res@puc.state.ri.us.

Table One has two parts. Part One details the Obligated Entity's requirements and purchases for the current Compliance Year, and also incorporates Certificates banked during previous compliance years, if applicable – which are detailed and tracked in Part Two. Where Alternative Compliance Payments are required, Part One calculates the obligation *after* accounting for the use of Banked Compliance, which the Obligated Entity can allocate in Part One, by Electrical Energy Product, if applicable. Part Two of Table One tracks Banked Certificates. Part Two requires the Obligated Entity to enter any available Banked Certificates from the two previous Calendar Years (once two Annual Compliance Filings have been completed, this information can simply be taken from the applicable rows of the previous year's Filing). With this information, and the total number of Banked Certificates allocated in Part One, Part Two calculates: (1) any remaining Banked Certificates from two compliance years ago (now expired), (2) any remaining Banked Certificates from the previous compliance year (still valid for one more year), (3) any surplus in the current year, (3) the amount of that current year surplus available for Banking (by applying the "30% of current year obligation" limit), and (4) the ending balance of Banked Certificates.

Part One – Compliance for the Current Calendar Year

In Part One, enter the numbers and/or names for each NEPOOL GIS sub-account for Electrical Energy Products offered for sale in Rhode Island in the applicable Compliance Year (column B), and the total quantity of wholesale electricity (including all applicable losses) sold in satisfaction of each retail product (column C). For Distribution Utilities, please list Standard Offer as a product. In columns F & I enter the quantity of New and Existing, respectively, Renewable Energy Resource Certificates that the Obligated Entity has acquired and now owns for the purpose of Rhode Island RES Annual Compliance in the applicable Compliance Year. In column G, enter the total number of Banked Certificates, by Electrical Energy Product, being applied to the current Compliance Year.

Each NEPOOL-GIS sub-account must be entered on a separate line in the table, and information must be entered separately on each line in columns B, C, F, G and I. The MS Excel version of Table One will automatically calculate all remaining cells in Part One. The reason for such separate entry is that documentation of the information will consist of quarterly NEPOOL-GIS reports that will separately identify those sub-accounts and show RES-qualified certificates settled in those sub-accounts. However, pursuant to the

regulatory definition of Electrical Energy Product, if two or more sub-accounts are identical in their Attributes, then a subtotal line may be entered below the lines for those sub-accounts in the table.

Enter the Attributes in the appropriate columns F, G & I, in accordance with the compliance or documentation types identified at the column heads and detailed in the instructions. See below for detailed instructions on specific columns and on documentation of the information entered in columns F & I, as well as Part Two (Banked Compliance). The electronic spreadsheet version of Table One includes formulae for: columns D, E, H and J through M in Part One, and all cells except the first two Banked Certificates balances in Part Two.

Column C: Total Electricity Sold in Current Compliance Year for each Electrical Energy Product

Enter the total electricity sold in the Compliance Year for each Electrical Energy Product. This amount refers to the total deliveries made at wholesale, including all applicable losses, in satisfaction of the Obligated Entity's retail requirements. Documentation of this information is provided by the quarterly NEPOOL GIS reports required in the instructions for Column F, below.

The RES regulations in Section 7.5 also provide that Obligated Entities must arrange with the ISO Meter Reader to provide to the Commission final, reconciled values of the Real-Time Load Obligations for each Load Asset in the New England Markets that represents the electricity sold by an Obligated Entity at retail to Rhode Island end-use customers.

Column D: Quantity of Renewable Energy Standard to be Satisfied only by New Renewable Energy Resource Certificates

Column D calculates the New Renewable Energy Resource Requirement by multiplying Column C by the then-current percentage required by RES Statute and Regulation. *The electronic spreadsheet version of Table One will execute this calculation.*

Column E: Quantity of Renewable Energy Standard to be Satisfied either by New or Existing Renewable Energy Resource Certificates

Column E calculates the "New or Existing" Renewable Energy Resource Requirement by multiplying Column C by 2%. The 2% "New or Existing" requirement does not change over time.

The electronic spreadsheet version of Table One will execute this calculation.

Column F: Current Compliance Year NEPOOL GIS New Renewable Energy Resource Certificates

Enter the quantity, by Product, of New Renewable Energy Resource Certificates from the current Compliance Year. Provide documentation for all New Renewable Energy Resource Certificates as an **Attachment 1** to the *Filing*. That documentation shall consist of two versions of the NEPOOL GIS "My Settled Certificates Disposition" report (including certificate serial numbers) for each of the four quarters of the applicable

Compliance Year (regardless of your sales and certificate activities for a particular quarter), as follows:

- a. Submit a printout of the HTML (web) version of each of those reports; and
- b. Download each of those reports as an MS Excel file (each with a descriptive filename, including your company name and the quarter), and submit those files to the RI PUC by e-mail, addressed to Luly Massaro, Commission Clerk at res@puc.state.ri.us.

Column G: Banked NEPOOL GIS RI New Renewable Energy Resource Certificates Applied to Current Compliance Year

Enter the quantity, by Product, of Banked Compliance Certificates to be applied to the current Compliance Year. Review “A Note on Documentation of Banked Compliance” in Part Two below for specific instructions regarding the documentation and verification of Banked Compliance Certificates.

Column H: Total NEPOOL GIS RI New Renewable Energy Resource Certificates Applied to Current Compliance Year

Column H calculates the Total NEPOOL GIS RI New Renewable Energy Resource Certificates Applied to Current Compliance Year by adding Column F and Column G. *The electronic spreadsheet version of Table One will execute this calculation.*

Column I: Current Compliance Year NEPOOL GIS Existing Renewable Energy Resource Certificates

Enter the quantity, by Product, of Existing Renewable Energy Resource Certificates from the current Compliance Year. Existing Renewable Energy Resource Certificates may be used to satisfy only the 2% Existing Renewable Energy Requirement. Existing Renewable Energy Resource Certificates above the 2% requirement may neither be applied to the New Renewable Energy Resource requirement nor banked for future compliance. Should an Obligated Entity enter a quantity of Existing Renewable Energy Certificates greater than the 2% requirement, the Table One spreadsheet will automatically limit the quantity of Existing Renewable Energy Resource Certificates used for compliance to no more than 2% of the Obligated Entity’s load. For the quantity of Existing Renewable Energy Resource Certificates listed in column I for each Electrical Energy Product in Table One, provide documentation as an **Attachment 2** to the *Filing*. That documentation shall consist of two versions of the NEPOOL GIS “My Settled Certificates Disposition” report (including certificate serial numbers) for each of the four quarters of the applicable Compliance Year (regardless of your sales and certificate activities for a particular quarter), as follows:

- a. Submit a printout of the HTML (web) version of each of those reports; and
- b. Download each of those reports as an MS Excel file (each with a descriptive filename, including your company name and the quarter), and submit those files to the RI PUC by e-mail, to res@puc.state.ri.us.

Column J: New Renewable Energy Surplus / (Shortfall)

Column J calculates the surplus or shortfall of New Renewable Energy Certificates, taking into account any use of Banked Compliance.

Column K: Existing Renewable Energy Surplus / (Shortfall)

Column K calculates the surplus or shortfall of Existing Renewable Energy Certificates compared to the New or Existing Requirement (of 2% of Total Electricity Sold) calculated in Column E. This calculation is an intermediary step, as any *surplus* of New Certificates from Column J will be applied toward the Column K requirement in the event of a shortfall of Existing Renewable Energy Certificates. (see explanation of column L).

Column L: Is Current Year Compliant or in Shortfall?

Column L compares the New Certificate requirement to the Obligated Entity’s Total New Certificates from Column H, and subsequently compares all Existing Certificates – plus any surplus New Certificates – to the Existing Certificate requirement and indicates with text whether the Obligated Entity is “*Compliant*” or has a “*Shortfall*” of GIS Certificates. This calculation takes into account the banked certificates designated, by product, in Column G.

Column M: Certificate Balance

Column M calculates, by Electrical Energy Product, the Obligated Entity’s Certificate Balance for the current Compliance Year, after the application of banked certificates. A Shortfall denotes the obligation to make Alternative Compliance Payments (ACP) associated with the number of MWhs shown. ACP payments must be made to the Rhode Island Economic Development Corporation (RI EDC) and a receipt demonstrating such payments must be included with this *Filing*. A Surplus denotes Certificates which may be retired as Banked Compliance and used toward RES compliance in either of the two subsequent calendar years.

Part Two – Banked Compliance

NOTE: All Banked Certificates must fully comply with RES Regulations Section 7.8. This includes, but is not limited to, the requirement that Obligated Entities must retire Banked Certificates in the year they were generated, in order to ensure that such Certificates have not otherwise been, nor will be, sold, retired, claimed or represented as part of electrical energy output or sale, or used to satisfy obligations in jurisdictions other than Rhode Island.

Row (a): Banked Certificates from Two Compliance Years ago

Beginning with the 2009 Compliance Filing¹, enter the number of Banked Certificates from Two Compliance Years ago. This is the value in Row (e) from the previous year's Filing, once applicable.

Row (b): Banked Certificates from One Compliance Year ago

Enter the value in Row (g) from the previous year's Filing, once applicable.

Row (c): Banked Certificates Applied Toward Current Year Compliance

Row (c) is drawn from the sum of any Banked Certificates applied toward compliance in the current Compliance Year via Column G in Part One of Table One.

Row (d): Remaining Banked Certificates from Two Compliance Years ago, now expired

This is the remaining balance – after taking into account use in the current Compliance Year – of unused Banked Certificates from 2 Compliance Years ago. A balance in Row (d) denotes two-year-old Certificates that have not been applied to the current Compliance Year and will therefore expire. The electronic spreadsheet version of Table One will execute this calculation.

Row (e): Remaining Banked Certificates from One Compliance Year ago, still valid

This is the balance of unused Banked Certificates from previous Compliance Year. These Certificates are still valid for use in next year's Filing (in next year's Row (a)). The electronic spreadsheet version of Table One will execute this calculation.

Row (f): Current Year Surplus, if applicable

As calculated in Part One of Table One.

Row (g): Amount of Current Year Surplus Available for Banking

Row (g) calculates the lesser of the Current Year Surplus and the maximum amount of Certificates eligible for Banking. The maximum quantity of Certificates eligible for Banking is equal to 30% of the current year's RES obligation. Banking applies only to New Renewable Energy Resource Certificates. Existing Renewable Energy Resource Certificates are not eligible for Banking. The electronic spreadsheet version of Table One will execute the Row (g) calculation.

Row (h): Ending Balance of Still Valid Banked Certificates

The Ending Balance is calculated by adding the amount of Current Year Surplus (if applicable) and any Remaining Banked Certificates from one (1) Compliance Year ago. The electronic spreadsheet version of Table One will execute this calculation.

A Note on Documentation of Banked Compliance:

For the quantity of Banked Compliance Certificates listed in Rows (a) and (b) of Part Two, provide documentation as an **Attachment 3** to the *Filing*. That documentation shall consist of two versions of the NEPOOL GIS “My Reserved Certificates Disposition”

¹ The ability to use Banked Certificates from Two Compliance Years ago commences in 2009 (for 2007 Certificates) and NOT in 2008 because 2006 Early Compliance Certificates can be used in the Compliance Year 2007 only, per RES Regulation 7.4(iii).

report (including certificate serial numbers) for each of the four quarters of the applicable Compliance Year (regardless of your sales and certificate activities for a particular quarter), as follows:

- a. Submit a printout of the HTML (web) version of each of those reports; and
- b. Download each of those reports as an MS Excel file (each with a descriptive filename, including your company name and the quarter), and submit those files to the RI PUC by e-mail at res@puc.state.ri.us.

A Note on Alternative Compliance Credits (from Alternative Compliance Payments):

Please be aware that an Obligated Entity cannot shift certificates between NEPOOL-GIS sub-accounts after the end of the trading period during which they were settled. However, some of the sub-accounts may be aggregated, as described in the General Instruction, depending on how those sub-account products were defined. Also, although excess Attributes for a particular Product cannot be shifted to another Product, they can be "banked" for compliance in a future Compliance Year.

To obtain Alternative Compliance Credits, you will need to make an Alternative Compliance Payment (ACP) to the RI EDC.

The ACP should be made no later than June 30th of each Compliance Year in order for the RI EDC to have sufficient time to process the payment and return an ACP Receipt for inclusion in the Obligated Entity's Annual Compliance Filing.

Calculating an Obligated Entity's Alternative Compliance Payments:

To calculate the amount of the Obligated Entity's ACP, multiply the total of the Obligated Entity's unmet RES Attribute obligation – the negative value from Column M in Part One of Table One, if applicable – (rounded up to the nearest whole number) by the ACP Rate for the applicable Compliance Year. The annual ACP rate is published at <http://www.ripuc.org/utilityinfo/res.html> under the "RES Alternative Compliance Payment" link. The ACP Rate is revised and posted by January 31st of each Compliance Year.

The ACP must be wired directly to the RI EDC. ACP wire instructions can be obtained by contacting Susan Morgan, Director of Accounting, Rhode Island Economic Development Corporation, (401) 278-9195 or by email at smorgan@riedc.com.

The total number of Alternative Compliance Credits applied to the current Compliance Year must also be listed on the Obligated Entity's ACP Receipt from the RI EDC.

If an Obligated Entity avails itself of the Alternative Compliance Payment option, they must document their ACP by providing as **Attachment 4** a copy of their ACP Receipt from the RI EDC.