



*What's **Hot** in California and the West?*

Global Climate Change, Renewables Portfolio Standard and WREGIS!

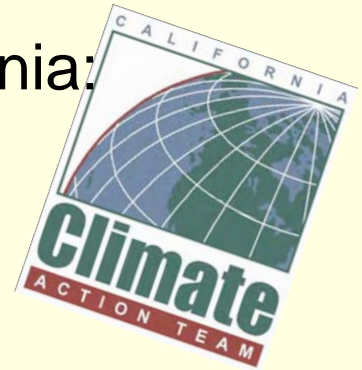
- Heather Raitt
- California Energy Commission
 - NASEO Meeting
- September 13, 2006

Presentation Overview

- California's Global Climate Change Activities
- California's Renewables Portfolio Standard
- What is WREGIS?
 - WREGIS Benefits
 - How WREGIS Works
 - WREGIS Development is a Stakeholder Process
 - WREGIS Milestones
- How to Contact Us

California's Global Climate Change Activities

- In June 2005 Governor Schwarzenegger issued Executive Order # S-3-05 that established greenhouse gas reduction targets for California:
 - 2000 levels by 2010
 - 1990 levels by 2020
 - 80% below 1990 levels by 2050
- AB 32 would codify the 2020 target
 - The California Air Resources Board would adopt regulations, on or before January 1, 2008, for mandatory reporting and verification of statewide greenhouse gas emissions.



California's Renewables Portfolio Standard

Goal: To increase diversity, reliability, public health and environmental benefits of California's energy mix.

- CA RPS signed into law in 2002
- Legislative goal of 20% of retail sales from renewables by 2017, with increase by at least 1% per year
- In 2003, state energy agencies set goal of 20% by 2010
 - 20% in 2010 is estimated to be about 56,000 GWh
 - California's technical potential is more than 260,000 GWh/yr
 - Technical potential for western-region is 3.7 million GWh/yr
- Energy Commission's Integrated Energy Policy Report recommends more ambitious goal for post-2010
- Governor Schwarzenegger's goal is 33% by 2020
- Energy Commission must establish an accounting system to verify RPS compliance

What is WREGIS?

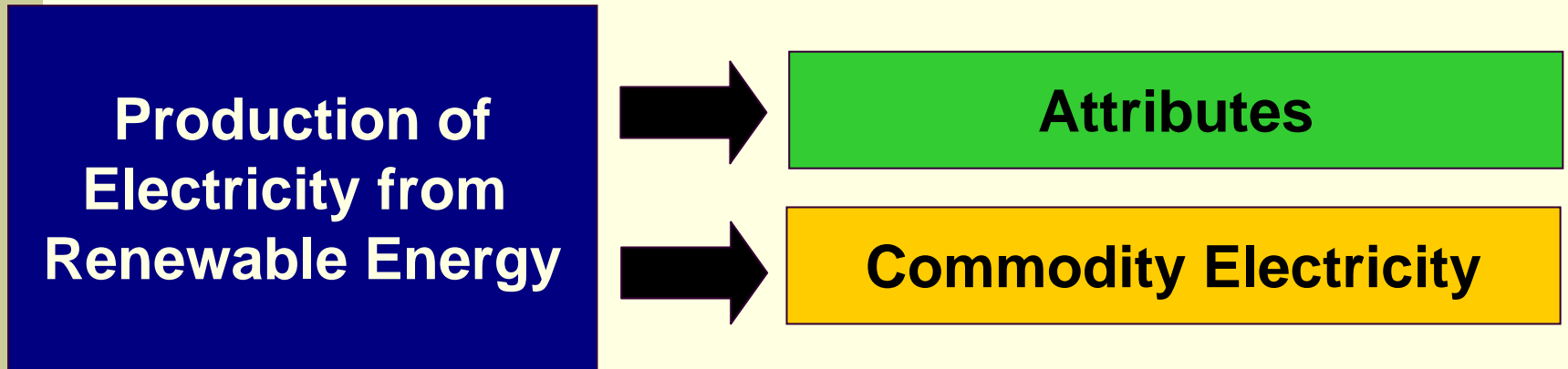
Western **R**enewable **E**nergy **G**eneration **I**nformation **S**ystem

- A voluntary, independent renewable energy registry and tracking system for the Western Interconnect region
- WREGIS has two components:
 - Information system (software)
 - Administrative operations housed at the Western Electricity Coordinating Council (WECC)

WREGIS Policy Drivers

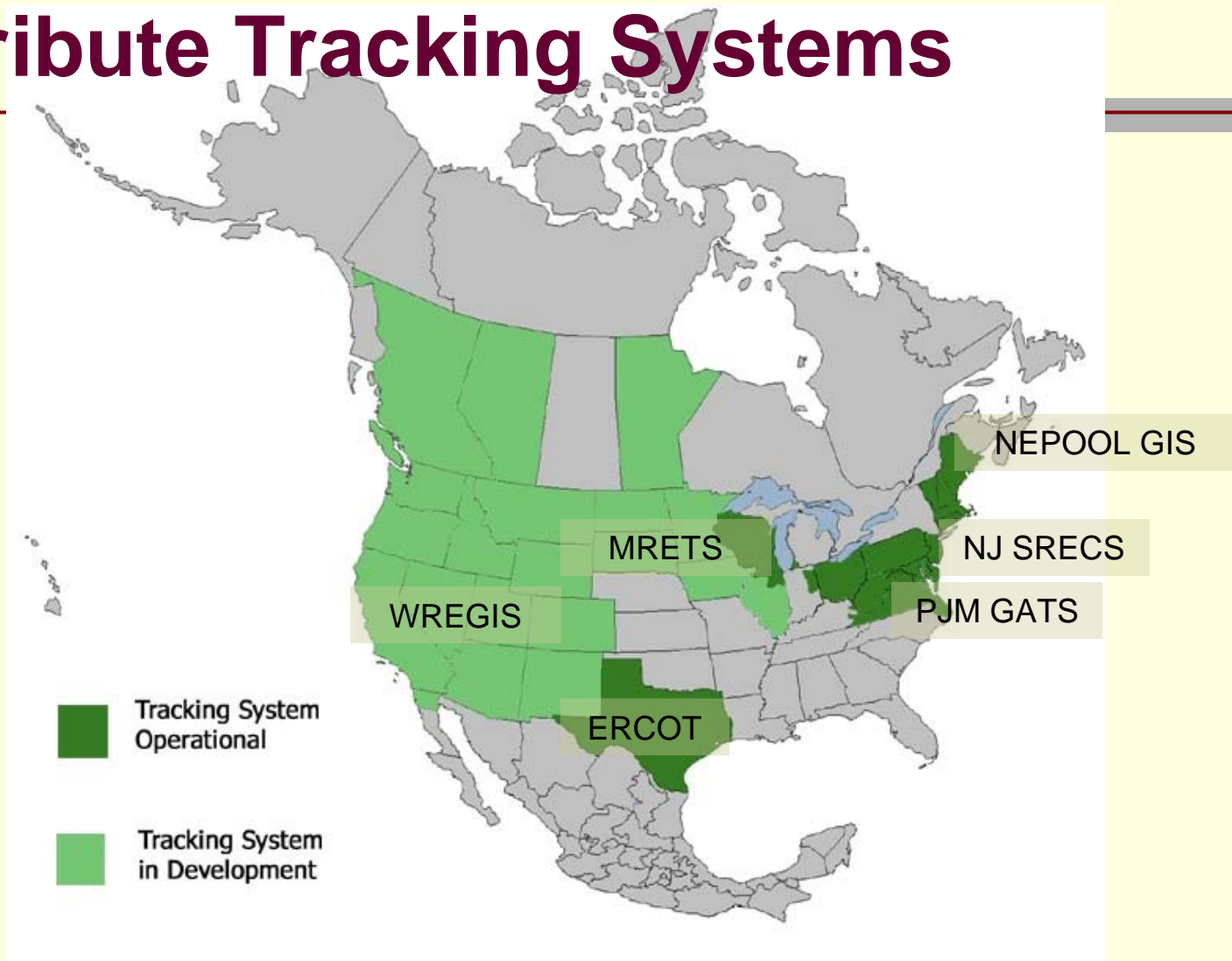
- California Renewables Portfolio Standard
 - To design and implement a renewable energy registry and tracking system to verify compliance with the RPS by retail sellers.
- Western Governors' Association
 - To develop a single Western system to support verification, tracking and transfer of renewable energy certificates.
- Western Regional Air Partnership
 - To establish a regional institution to spur development of renewable energy to mitigate regional air pollution and haze.

What is a Renewable Energy Certificate (REC)?



- Renewable energy certificates (known as WREGIS Certificates if issued by WREGIS) represent the non-energy attributes.
- WREGIS Certificates are expected to have value in both regulatory and voluntary markets.

North American Attribute Tracking Systems



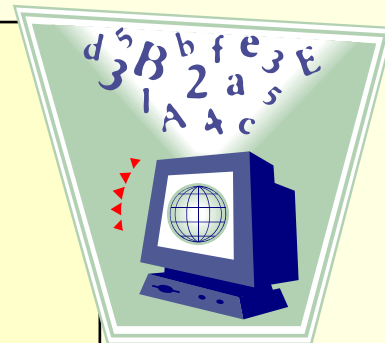
Why is WREGIS Important?

- Policy neutral
- Uses independent, verifiable and reliable data
- Provides data to facilitate verification of compliance with state/provincial and voluntary policies and programs
- Protects against double-counting and leads to increased credibility and consumer confidence
- Facilitates commercial trading of renewable energy certificates
- Fosters economies of scale for the Western Interconnect

What's in a WREGIS Certificate?

- A WREGIS Certificate is an electronic record of reported generation and its attributes.
- WREGIS Certificates include both static information (generating unit) and dynamic information (reported generation)

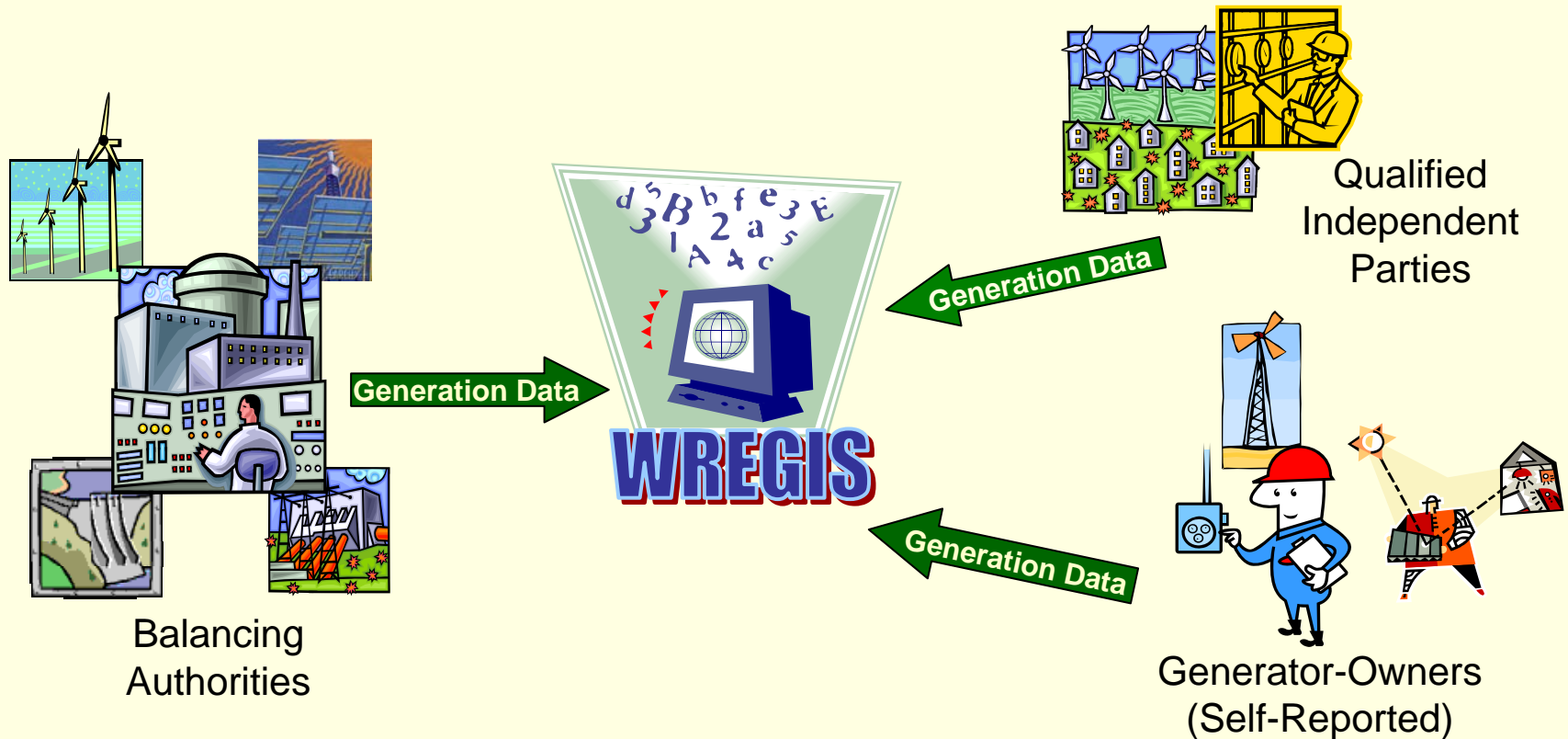
- Facility Location
- Generating Technology
- Facility Owner
- Fuel Type
- Nameplate Capacity
- Year Operation Began
- Month/Year of Generation



1 WREGIS Certificate = 1 megawatt-hour

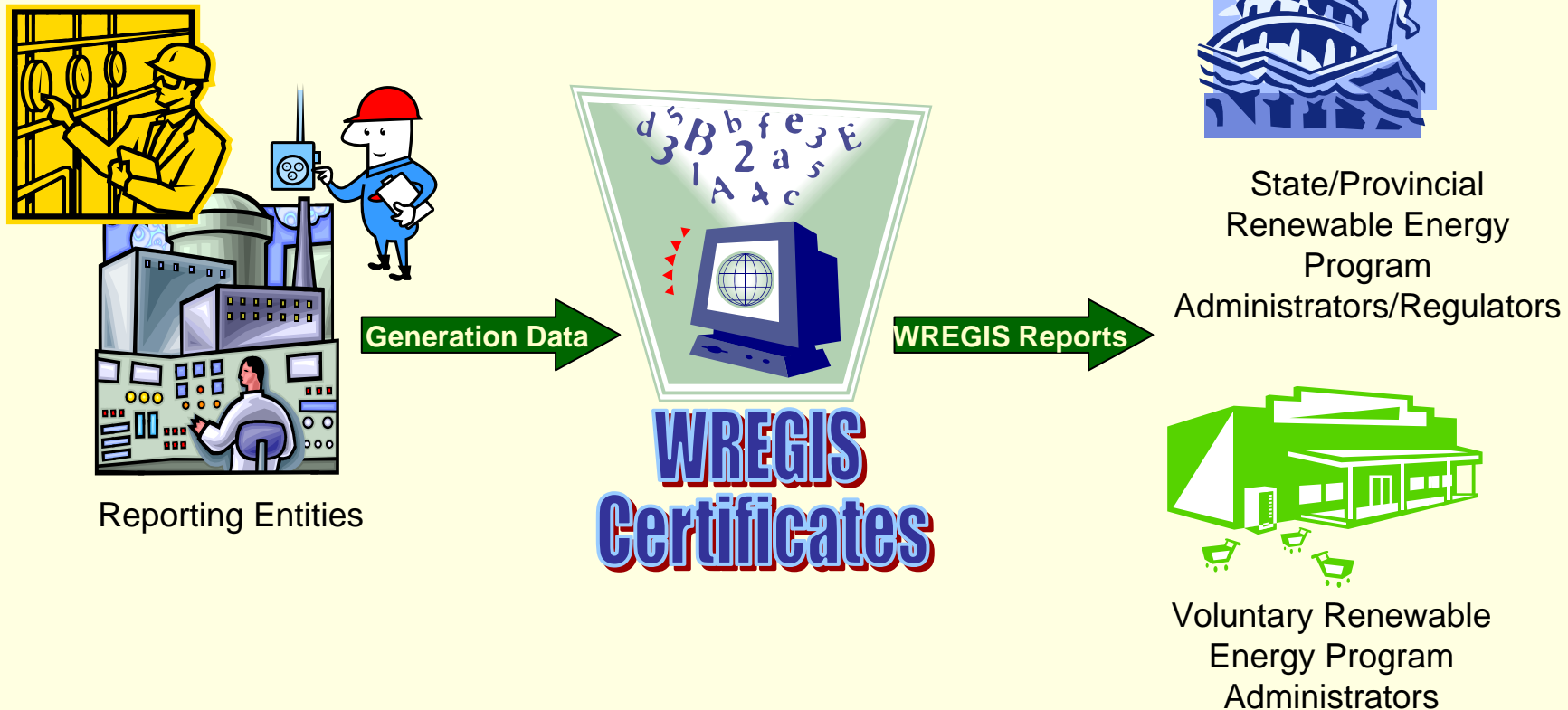
How WREGIS Works

- Generators, retail sellers, marketers, and others may open WREGIS accounts.
- Renewable energy generation information is reported to WREGIS.



WREGIS Functionality

- For each MWh of renewable energy generated and reported, WREGIS issues one WREGIS Certificate.



WREGIS Development is a Stakeholder Process



- Early broad-based stakeholder participation
 - Over 22 stakeholder meetings held since January 2004
 - Over 400 participants and stakeholders surveyed
- WREGIS continues to solicit stakeholder feedback
 - Stakeholder Advisory Committee – 85 members
 - Officials Election: July 2006
 - Working Group – 431 members
 - Continuously updated on WREGIS activities via listserve.

WREGIS Key Stakeholders

■ **WREGIS Sponsors**

- California Energy Commission
- Western Electricity Coordinating Council
- Western Governors' Association

■ **Other Western State/Provincial Participants**

- Regulators/governmental agencies
- Regional electricity groups

■ **Industry Participants**

- Load-Serving Entities
- Generators
- Marketers
- Brokers/Wholesalers

WREGIS Milestones

- ✓ Needs Assessment and Report Dec. 2003
- ✓ WREGIS Interim Operating Rules Established July 2004
- ✓ WECC agrees to house WREGIS July 2004
- ✓ WECC approves WREGIS Charter Dec. 2004
- ✓ RFP for System Development & Technical Operations Contractor released Sept. 2005
- ✓ WREGIS Committee convened Jan. 2006
- ✓ Stakeholder Advisory Committee election of officers July 2006
- ✓ System Development & Technical Operations Contractor selected July 2006
 - ▶ APX, Inc.
- ✓ WECC Board approves WECC/Energy Commission contract for approval July 2006
- ✓ Energy Commission approves APX, Inc. contract August 2006

WREGIS Next Steps

- WREGIS Administrator hired Oct. 2006
- WREGIS operational mid-2007

Benefits to WREGIS Participants

- Support account holders by providing information necessary to assist showing compliance with regulatory and voluntary programs.
- Support regulators and voluntary program administrators by providing information to assist in the verification of compliance.
- Support market participants in their transactions involving WREGIS Certificates.

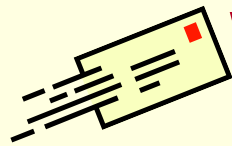
Your Participation is Welcome

To stay informed, JOIN THE WORKING GROUP!

Visit

<http://groups.yahoo.com/group/WREGIS-WG/join>

or join via e-mail



WREGIS-WG-subscribe@yahoogroups.com

To learn more, CONTACT US!

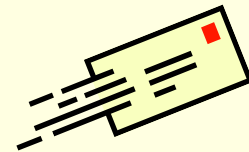


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For More Information

WREGIS website

www.westgov.org/wieb/wregis

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