MEMO - DRAFT

Date:   April 19, 2017
To:     WREGIS Account Holders
Subject: WREGIS Certificates and EIM crossover

A participant in the California-based Energy Imbalance Market (EIM) approached WREGIS regarding:

Would Renewable Energy Certificates (REC) associated with an energy bid into the EIM need to be retired since the carbon attributes were considered used in the EIM under rules set by the California Independent System Operator (CAISO)?

WREGIS conducted a review of its rules, which clearly define the attributes of a WREGIS REC. WREGIS determined that all the attributes of a REC as defined by the Operating Rules need to be intact (the REC could not be split) for it to remain active within WREGIS. In the case of carbon attributes being claimed by a buyer of the energy, the REC would need to be retired in WREGIS as one or more defined attributes would be used by the buyer. After discussion with the WREGIS Committee (WC) in open session, this interpretation was agreed on by WC consensus.

WREGIS account holders bidding energy into the EIM should be prepared to retire the RECs associated with that energy. The RECs have been split and are no longer complete RECs as defined by the WREGIS Operating Rules. These RECs should be retired under the timeline outlined by the applicable state program or as defined by the CAISO.