

**NOTICE OF RENEWABLE ENERGY CERTIFICATE (REC) RETIREMENT
PROCESS FOR RENEWABLE ENERGY STANDARDS, BIENNIAL
REPORTING OBLIGATIONS, AND GREEN PRICING PROGRAM REC
RETIREMENT**

Issued: April 11, 2016

**In the Matter of Renewable Energy Certificate Retirement and Reporting for Compliance
Year 2015**

Docket Number E-999/PR-16-12

**In the Matter of Commission Consideration and Determination on Compliance with
Renewable Energy Standards**

Docket Number E-999/M-16-83

In the Matter of the Green Pricing Verification Filing Process

Docket No. E-999/PR-02-1240

The verification and filing requirements for the Renewable Energy Standards (RES), REC retirement and Green Pricing REC retirement are combined with the RES biennial filing obligations. All three can be met through completing and filing the attached spreadsheet.

Note the spreadsheet Tab A.5 addresses the filing requirements for the RES biennial reporting obligation and is only included in years in which the biennial report requirement applies, as it does this year. Utilities are required to file this information pursuant to the Commission's ORDER FINDING UTILITIES IN COMPLIANCE WITH MINN. STAT. §216B.1691 AND MODIFYING BIENNIAL REPORTING PROCEDURES, in Docket No. E-999/M-12-958, issued May 28, 2013.

In addition, note that the Solar Energy Standard (SES) established by Minn. Stat. §216B.1691, Subd. 2f does not require a utility to generate or procure electricity generated by solar energy to serve retail customers in Minnesota until the end of 2020. Therefore, this notice does not address the information requirements or the process for retirement of solar RECs (S-RECs) required to meet the 2020 Minnesota SES. An additional Tab to collect this information may be added in future years.

Procedures for retiring RECs: Procedures for the retirement of RECs for the RES and the Green Pricing Program compliance and reporting will be similar, with some variations specific to statute:

1. **REC retirement sub-accounts:** Utilities must establish an M-RETS retirement sub-account designated for the retirement of RECs. Each utility should establish a single 2015 MN RES REC retirement sub-account for all the retail load serving entities

served by the power agency or cooperative in a given compliance year. For those power agencies or cooperatives serving more than one distribution company, one RES REC retirement sub-account for all retail load serving entities served by a power agency or cooperative in the compliance year (2015) is sufficient. Each utility with a Green Pricing Program should establish a single 2015 MN Green Pricing retirement sub-account for the retirement of Green Pricing RECs.

2. **Sub-account names:** Utilities should be as specific as possible in selecting names for the sub-accounts and should not use the default sub-account name. Abbreviations will be required. RECs within these sub-accounts must be segregated by compliance year and designated for either the Minnesota RES program [e.g. 2015 (Utility Name) MN RES] or the Minnesota Green Pricing Program [e.g. 2015 (Utility Name) MN Green Pricing].
3. **Regulatory access to sub-accounts:** As a result of system enhancements, the M-RETS Regulator Accounts Compliance Report provides regulators with access to REC sub-account information. Therefore, utilities will not need to take additional steps to grant regulator access.
4. **Eligible energy facilities:** For the Renewable Energy Standard (RES), RECs must originate from eligible energy technology under Minn. Stat. §216B.1691. For Green Pricing Programs, RECs must originate from facilities certified for the Program by the Department of Commerce--Division of Energy Resources (DER) according to Minn. Stat. §216B.169.
5. **REC shelf life:** Only RECs retired before the end of their Commission-designated shelf life (the year of generation plus four years) will be counted towards either the RES requirement or a utility's Green Pricing Program. Note this application of REC shelf life does not apply to S-RECs intended to meet the SES.
6. **Renewable Energy Standard REC retirement levels:** In accordance with the Commission's March 19, 2010 Order (in Docket No. E-999/CI-03-869), all entities covered under Minn. Stat. §216B.1691, except Xcel Energy, are required to retire RECs representing **12 percent** of annual retail sales for calendar year 2015. Xcel Energy is required to retire RECs representing **18 percent** of annual retail sales for calendar year 2015.
7. **Compliance period and retirement deadline:** Compliance will be measured on a calendar year basis. Utilities must transfer and retire a sufficient number of RECs to the RES retirement sub-account to meet the 2015 RES and transfer and retire a sufficient number of RECs to the Green Pricing retirement sub-account to meet the 2015 green pricing sales for the applicable calendar year. These transfers and retirements must be completed by May 1 of the year following the compliance year. For example, RECs for compliance (calendar) year 2015 must be transferred and retired by May 1, 2016.

8. **Template and deadline for verification reports:** No later than June 1, 2016, all utilities subject to Minn. Stat. §216B.1691 as well as those with Green Pricing Programs must file an annual verification report that includes the information requested in the spreadsheets located at the link below.
9. **Comments/Notes:** Utilities should include assumptions that may not be obvious or easily understood in the section of the spreadsheets entitled “Comments/Notes,” located in Attachment A, Tab A.1. Other comments and notes can be included there as well.

The filing template for REC retirements, RES reporting obligations, and REC sales and purchases is posted at:

[Filing Template \(.xlsx\)](#)

Filing instructions: Utilities should complete and E-file the compliance report for annual RES retirement, biennial RES reporting obligations, and the Green Pricing Program in Excel (XLS or XLSX) format at: <https://www.edockets.state.mn.us/EFiling/home.jsp>

M-RETS Instruction Document: An instruction document on REC retirement and report creation for Minnesota RES compliance and for Green Pricing Programs is available in the training section of the M-RETS website: <http://www.mrets.org/training/>

Questions regarding the online retirement process or the generation of M-RETS reports can be directed to Bryan Gower, M-RETS Program Administrator, APX, at (408) 899-3340, email: MRETS@apx.com

RES compliance-related questions can be directed to Susan Mackenzie, Commission staff, at Susan.Mackenzie@state.mn.us or 651-201-2241. Green Pricing program compliance-related questions can be directed to Lise Trudeau, DER staff, at Lise.Trudeau@state.mn.us or 651-539-1861.

This document can be made available in alternative formats (e.g., large print or audio) by calling 651-296-0406 (voice). Persons with hearing loss or speech disabilities may call us through their preferred Telecommunications Relay Service.