

# Boulder Canyon Project Renewable Energy Certificates

Desert Southwest Region

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Vice President of Power Marketing

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# Topics

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Jim Kendrick

Patricia Weeks

Patricia Weeks

Patricia Weeks

Trent Nunn

All

Patricia Weeks



# Patricia Weeks

## Contracts and Energy Services Manager



# Overview, Options, and Responsibilities

- September 13, 2022 meeting
  - Discussed Renewal Energy Certificate (REC) proposal
  - Comments received by Contractors used in determining options
- Calendar Year 2022 and forward options
  - Request WAPA sell RECs and provide a bill credit
  - Claim RECs to utilize for contractor's benefit
- Contractors are responsible for all program administration costs
  - WAPA to create and transfer RECs in Western Renewable Energy Generation Information (WREGIS) System Account
  - WAPA costs for uploading meter data, preparing and paying invoices, reconciling, transferring, and selling RECs



# Claiming RECs – Transfer Option

- WAPA will calculate each contractor's REC amount based on electric service contract energy allocation and actual monthly generation
- WREGIS account required
- Quarterly transfers



# Claiming RECs – Sales by WAPA Option

- Contractor requests WAPA to sell their RECs
- WAPA will calculate total quantity available based upon all contractors who choose this option
- A larger quantity helps obtain a higher purchase price
- RECs will be available to purchase by other contractors at market price
  - Sales agreement required
- REC purchases based upon market demand



# Claiming RECs - Other

## Benefit arrangement agreement

- Contractor agrees to transfer RECs to benefit partner
- Revise agreement as needed

## Prior to REC transfer

- Need point of contact
  - Name, organization, email, phone number
- WREGIS account required

## Costs

- WREGIS costs are currently \$.008/REC to create/transfer
- DSW program administrative costs



# Unclaimed RECs – Option Not Selected

- Contractor does not provide WAPA with preferred option to transfer or sell
- Considered sales by WAPA option
- WAPA to sell unclaimed RECs by end of quarter
- Quarterly REC sales amount applied on invoice
- Quarterly REC sales costs applied on invoice





# 2021 RECs Generated and Sold Update

- Total Revenue: \$1,240,840
- WREGIS Cost: \$ 34,347
- Labor Costs: \$23,703
- 8 sales agreements
- Other revenue for BCP in fiscal year 2022 used to offset the base charge

Quantity Sold	Purchase Price	Total
333,359	.25	\$83,340
1,000,000	.25	\$250,000
400,000	.75	\$300,000
250,000	1.0	\$250,000
250,000	.75	\$187,500
200,000	.25	\$50,000
150,000	.50	\$75,000
<u>60,000</u>	.75	<u>\$45,000</u>
2,643,359		\$1,240,840



# 2022 RECs Generated

- Total RECs: 2,992,971
  - (December 2022 not included)



# Trent Nunn

## Settlements and Billing Manager



# Proposed Invoicing - Transfers

- Quarterly REC transfer costs applied on invoice
  - WREGIS costs
  - DSW program administrative costs

	ENERGY (KWH)	RATE	DEMAND (KW)	PULSE	
MONTHLY BASE CAPACITY CHARGE					\$554,380.15
MONTHLY BASE ENERGY CHARGE					580,522.39
RENEWABLE ENERGY CREDIT TRANSFER COSTS - 10 REC'S					1,075.00
					269,554.71
LOWER COLORADO BASIN DEVELOPMENT FOR PRIOR MONTH'S ENERGY USAGE	59,901,047	0.004500			
TRANSACTION TOTAL	60,401,047				\$1,405,532.25

Example Invoice



# Proposed Invoicing – Sales

- Quarterly REC sales amount applied on invoice
- Quarterly REC sales costs applied on invoice
  - WREGIS costs
  - DSW program administrative costs

	ENERGY (KWH)	RATE	DEMAND (KW)	PULSE	
MONTHLY BASE CAPACITY CHARGE					\$554,380.15
MONTHLY BASE ENERGY CHARGE					580,522.39
RENEWABLE ENERGY CREDITS					-10,000.00
(10 RECS)					
REC, WREGIS AND DSW LABOR COSTS					10.00
LOWER COLORADO BASIN DEVELOPMENT FOR PRIOR MONTH'S ENERGY USAGE	59,901,047	0.004500			269,554.71
TRANSACTION TOTAL	60,401,047				\$1,394,557.25

Example Invoice



# Feedback/Questions



# Next Steps

- By March 10, 2023, provide preferred option for your BCP RECs, including POC information by email
  - [DSWPWRMRK@WAPA.GOV](mailto:DSWPWRMRK@WAPA.GOV)
- By April 1, 2023, WAPA will contact POC to begin transfer process for fiscal year 2022 RECs
- Annual changes to the options will be accepted every December
- WREGIS account is required for transfers



# Contacts

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