



OFFICIAL COPY

FILED
OCT 23 2008
Clerk's Office
N.C. Utilities Commission

PJM Environmental Information Services and the Generation Attribute Tracking System

E-100, Sub 121

Presented to the
North Carolina Utilities Commission
Raleigh, NC
November 3, 2008

Full Dist

•GATS = Generation Attribute Tracking System

- GATS - a regional environmental registry and information system that tracks the environmental and fuel attributes of generation.
- The system:
 - assists LSEs in their compliance with applicable emissions and fuel disclosure requirements and with state-level Renewable Portfolio Standard (RPS) regulation or renewable policy
 - enables voluntary bilateral markets and marketing claims for renewables.
 - provides state agencies with reporting and verification
 - provides renewable generators with a means to monetize their renewable attributes and qualification

PJM-EIS Overview

- PJM Environmental Information Services, Inc. (PJM EIS) was formed to provide environmental and emissions attributes reporting and tracking services to its subscribers in support of renewable portfolio standards and other information disclosure requirements that may be implemented by government agencies.
- PJM EIS is a wholly-owned subsidiary of PJM Technologies, Inc.
- PJM EIS owns and administers the Generation Attributes Tracking System (GATS).
 - PJM EIS capitalized independently of PJM, L.L.C.
 - GATS cost borne solely by GATS users
 - PJM members have no cost responsibility or liability.
 - FERC has advised that the GATS is non-jurisdictional.
- Users of the GATS will enter into a user agreement with PJM EIS for access to use the system. The user agreement will define the:
 1. user fee structure,
 2. terms of use, and
 3. business rules.

- NJ Board of Public Utilities provided a low-interest loan to PJM-EIS to finance GATS development and initial administrative costs.
- PJM staff, working on behalf of PJM-EIS, developed business rules, data requirements, security requirements, and user agreements
- A vendor (Automated Power Exchange, APX) modified its existing system to develop GATS application
- GATS was in production September 2005

Organizational Structure

- PJM-EIS was formed on February 10, 2005
- Board of Directors:
 - Nora Swimm (Chair)
 - Michael Kormos
 - Andrew Ott
- PJM-EIS Officers:
 - Harry Dessender - President
 - Ken Schuyler - Vice President
 - Michelle Harhai - Secretary
 - Lisa Drauschak – Treasurer
 - Steven Lawson – Assistant Treasurer
- PJM-EIS Staff
 - Administrators (2)
 - Developers (2)

- **GATS Subscriber Group**
 - Open to all Subscribers
 - Meets at least semi-annually
 - Objectives:
 - Provide input into the development and maintenance of GATS Operating Rules
 - Have access to information and training pertaining to GATS
- **State Agency Advisory Committee**
 - Participation by representatives of state agencies whose policies are being effectuated through GATS
 - Meetings as needed or in conjunction with Subscriber Group meetings
 - Objectives:
 - Provide input into the development and maintenance of GATS business rules
 - Analyze need for future system additions and modifications given evolving state requirements

- GATS is designed to be policy-neutral to the greatest extent possible
- The system accommodates:
 - banking certificates to accommodate varying certificate life spans as determined by state policy or regulation
 - enabling varying state programs and their definitions of preferred attributes:
 - wind, solar, biomass, etc.
 - energy efficiency
 - waste coal
 - pumped storage generation
 - moving certificates to non-LSEs for bilateral voluntary markets, i.e. direct sales to retail entities
 - a bulletin board to facilitate bilateral trades
 - behind the meter generation, imports and exports

- As the GATS Administrator, PJM EIS provides the following services:
 - Supports the Customer Hotline, which is available during normal business hours
 - Develops and delivers customer training as needed (in-person, via the internet, and recorded)
 - Schedules periodic meetings of the GATS Subscriber Group and State Agency Advisory Committee.
 - Performs all system maintenance and development.

Experience – GATS Activity

as of October 23, 2008)

135 GATS Subscribers

482 Registered Renewable Generators

25,588,616 REC's Created in 2008 (through August)

Renewable Generators Registered by State

- ❖ DE – 128
- ❖ IA – 2
- ❖ IL – 40
- ❖ IN – 7
- ❖ MD – 51
- ❖ MI – 12
- ❖ MO – 3
- ❖ NC – 8
- ❖ NJ – 31
- ❖ NY – 10
- ❖ OH – 4
- ❖ PA – 116
- ❖ TN – 1
- ❖ VA – 55
- ❖ WV – 14

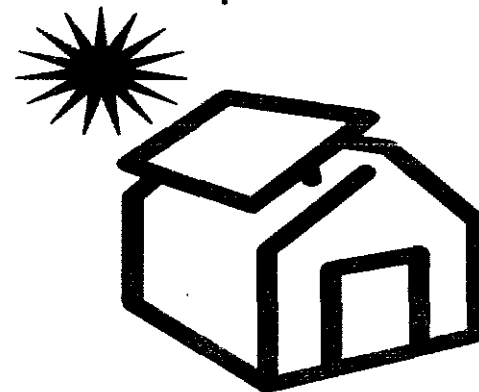
Solar Facilities Registered in GATS

- 172 solar facilities registered, qualified in PA, DE, and MD
- Total nameplate capability of 2,187 kW
- 1873 Solar REC's created in GATS since 2005
- Many are residential facilities (as small as 1 kW)
- None of the above projects are settled in the PJM Market, so generation data is self-reported by the Account Holder. Some states will allow production estimates to be used for small solar facilities.
- However, a proposed 3 MW solar facility in PA is planning to sell its energy in the PJM Market.

- PJM worked with stakeholders and state agencies for three years to develop the initial GATS conceptual design.
- PJM-EIS continues to work with state agencies as programs evolve and additional states implement RPS programs.
- GATS certificates are required for RPS compliance:
 - New Jersey (June 2004)
 - Maryland (January 2006)
 - District of Columbia (January 2007)
 - Pennsylvania (February 2007)
 - Delaware (June 2007)
- GATS certificates are accepted for RPS compliance:
 - Illinois (June 1, 2008)
 - Ohio (effective January 1, 2009)

Example of Working with States

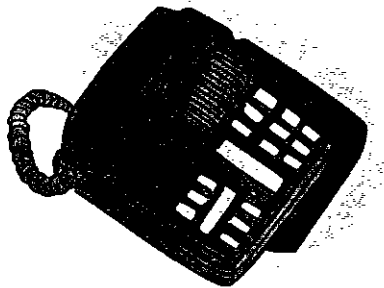
- A standalone NJ Solar REC tracking system had been implemented by New Jersey prior to the existence of GATS.
- Earlier this year NJ decided to transition to GATS for all REC tracking and RPS compliance reporting.
- PJM-EIS worked with the NJ Clean Energy Office to determine what additional functionality would be required.
- Some functionality was rolled out in September, and the rest will be implemented in November.
- PJM-EIS delivered its first training session on the new solar functionality in September.
- The transition from the NJ SREC system to GATS is required to be completed by June 2009.



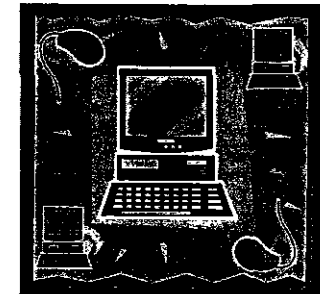
Current Enhancement Schedule

- September 2008
 - Solar Production Estimates
 - Solar kWh Entry
 - Illinois RPS Eligibility Flag
- November 2008
 - Prices entered for all Solar REC Transfers
 - Solar REC Pricing Report
 - Solar Generation Report
 - Solar Generation File Uploads
- December 2008
 - RGGI Reports for Estimating CO₂ Leakage
 - Ohio and North Carolina RPS Eligibility Flags

GATS Technical & Customer Service / Administrative Support

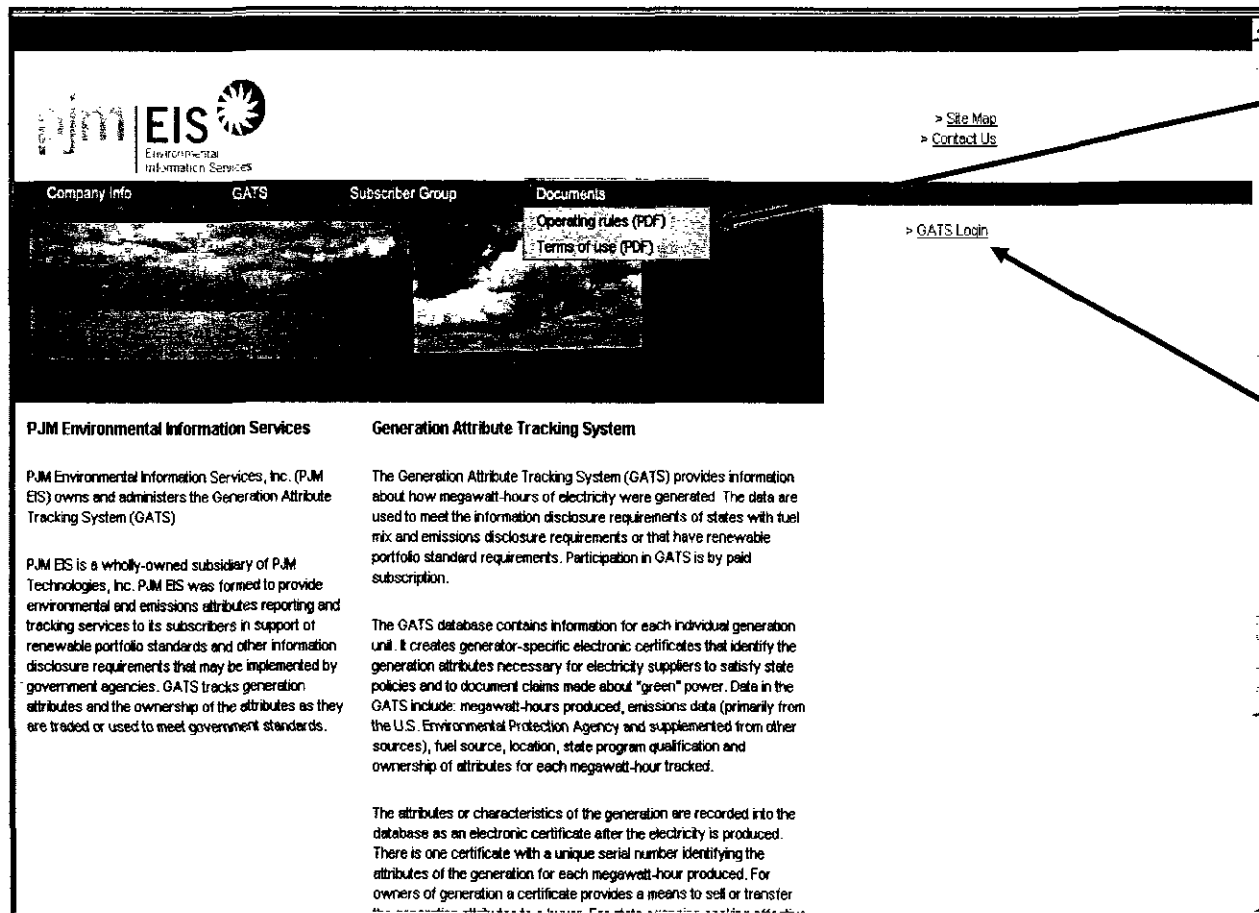


GATS Hotline:
Phone - (610) 666-2245
Fax - (610) 771-4114
GATSAdmin@pjm-eis.com



For more information on GATS, access the PJM-EIS website at:

www.pjm-eis.com



The PJM-EIS website provides links to the "GATS Operating Rules" and "GATS Terms of Use" for your reference

Link to the GATS Login Page