



PHOENIX
EBS

State Leadership in Green Power Markets

2009 Renewable Energy Markets Conference

Sakis Asteriadis – Phoenix Partners Group

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Overview

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- **Overview of Regional US Compliance Markets**
- **What's new in Regional REC Markets**
- **Introducing State and Federal RPS Programs**

About Phoenix Partners Group

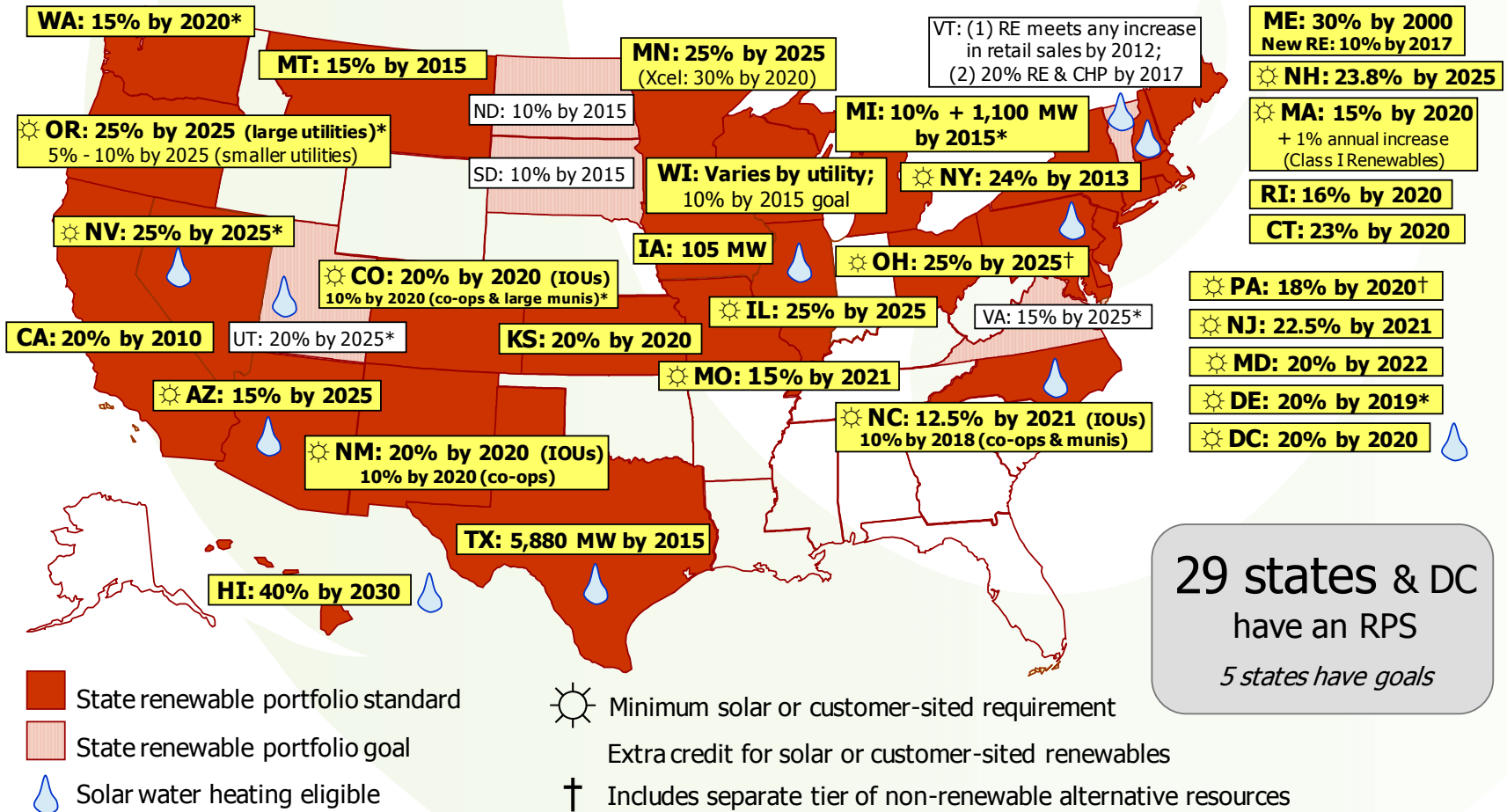
- Brokerage, founded in 2005 – headquartered in NYC
- Offices: New York City, London, Paris
- Product lines:
 - Environmental Markets
 - Credit (Single Name, Index, Cash, Structured Products)
 - Equities (Single Stock, Index, Swaps, Total Return, Cash)
 - Fixed Income (Treasury Inflation Protected Securities (TIPS))
- Contacts
 - Environmental Desk: 212-358-8252
 - www.PhoenixEBS.com
 - Electronic REC Trading: <http://ebs.PhoenixPartnersGroup.com>

Our Services in Environmental Markets

Product	Spot	Forward	Futures	Options
EU Allowances (EUA)	Yes	Yes	Yes	Yes
CER	Yes	Yes	Yes	Yes
RGGI Allowances	Yes	Yes	Yes	Yes
Voluntary Carbon	Yes	Yes	Yes	Yes
Compliance REC	Yes	Yes	Yes	
Voluntary REC	Yes	Yes	Yes	

- We offer trade execution services for exchange-traded products
- We provide Clearing for OTC transactions

State RPS – Status Map



Map courtesy of DSIRE (www.dsireusa.org)

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What's new in Regional REC Programs

■ New England:

- **Massachusetts** implemented its Green Communities Act – increasing RPS programs from 1 to 4: Class I, Class II, Class II Waste-Energy, and the Alternative Energy Portfolio Standard. Furthermore, discussions began for a MA solar carve-out, possibly beginning in 2010.
- **New Hampshire** launched its Class I eligibility requirement (this compliments New Hampshire Class 3 and Class 4). The New Hampshire Class 2 (solar carve-out) begins with compliance year 2010.
- **Connecticut** is contemplating rules changes by allowing REC banking – similar to what other New England states allow.

What's new in Regional REC Programs

■ Mid-Atlantic:

- New Jersey is considering a number of amendments surrounding increases in their RPS and other requirements focused on increasing in-state renewable resources: RPS requirement from 20% to 30% by 2020, extend RPS from 2021 to 2025, and change the solar target from a % to a fixed amount of GWh.
- The NJ SRECs tracking system has been migrated into the GATS registry. All of NJ Solar RECs are now issued and tracked by the GATS system.
- North Carolina compliance activity has begun – but still in the process of selecting a tracking system for compliance monitoring and REC creation.

■ Western States:

- California is about to extend its RPS requirement to 33% in 2020 from 20% in 2010. The concept of tradable RECs is still undecided.
- Oregon is contemplating a solar carve-out as part of its RPS requirements.

What's new in Regional REC Programs

■ Midwest:

- **Michigan** chosen to be separate from M-RETS and manage its RPS as a stand-alone tracking system (MIRECS). Final design is still under development – but import/export communication with both PJM GATS and M-RETS is expected to be a part of it.
- 2009 marks the first year of compliance for **Ohio** utilities: a renewable fuels standard, and a solar carve-out. Both M-RETS and GATS can be used to demonstrate compliance.
- **Illinois** successfully completed its auction for REC supply for the 2009 compliance year. Although the program allows for out-of-state RECs, 100% of REC supply will be generated by in-state renewable facilities.
- **Missouri** is currently working on RPS legislation, with hopes of having something in place by mid 2010.

What's new in Federal Programs

- **Import/Export between regional tracking systems**: discussions, led by ETNNA and WREGIS, continue in lieu of pending federal legislation. Discussions of functionality, requirements, and design have been on-and-off for the past 9 months.
- **Federal**: The Waxman-Markey bill passed by slim margin in the House earlier this summer – next comes the US Senate debate. Optimists hope that a final bill can be put into law by as early as end of 2009.

Thank you

Sakis Asteriadis – Global Head, Environmental Markets

Sakis.Asteriadis@PhoenixEBS.com 646-943-4414

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