



Clear Energy Brokerage & Consulting LLC

Midwest REC Market Notes: Q3 2013

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Michigan: Michigan RECs experienced a slight decrease in price as the overabundance of supply becomes more apparent. Offers significantly outnumber the bids. Perhaps of most interest is the impact of the rise in the Ohio Adjacent State RECs price which affects several eligible Michigan facilities.

Minnesota: Minnesota is still working through how to address the solar carve out that was passed earlier this year. To recap, HF 729 provides for a 1.5% solar requirement for Xcel and IOUs by 2020.

Missouri: No change for Missouri. Pricing for MO RPS RECs stays on par with the national Green-e market. MO obligated entities are continuing to purchase CA SRECs to meet their solar needs.

Ohio: Oh what fun Ohio has been! Earlier this year we made two predictions. The first was that OH Instate pricing would be on par with PJM1s, and the second was that the OH adjacent state market was significantly underpriced and would soon trade much closer to Ohio Instate price. Both were correct with pricing for both products up significantly. Until recently, we expected the OH Adjacent price to trade on par with in-state RECs but then something interesting happened; a massive, 400MW old hydro facility obtained certification due to the 60 day clause. Should this volume come to the OH Adj market, there is no doubt what would happen. The question now is IF it will come to market

Wisconsin: No change for the Wisconsin market. There is plenty of supply for the foreseeable future.

Illinois: Illinois remains stable and we have been seeing regular activity in the IL IPA market. The premium to Green-e wind stays in the \$0.05 – \$0.10 range.

State	Bid	Ask	Trade
Michigan			
2012	-	0.90	0.45
2013	-	1.00	0.85
2014	-	1.25	1.00
Minnesota			
2013	0.15	0.25	-
Ohio (in state)			
2013	12.00	14.25	-
2014	12.00	14.25	-
Ohio (adjacent state)			
2013	8.75	12.00	9.50
2014	8.75	12.00	
Illinois			
2012	1.05	1.20	1.15
2013	1.10	1.25	1.15
Wisconsin			
2012	-	-	-
National Green-e			
BH 12	1.00	1.10	1.00
FH 13	1.00	1.10	1.00
BH 13	1.00	1.25	1.15
CAL 14	1.10	1.35	-

Voluntary RECs

Green-e pricing has been staying just north of \$1.00 for the last few months, with a high of \$1.25 this past summer.

Midwest Long Term Power

MISO long term forward power rates continue to improve slightly. We are seeing 10 year offers in the high 40's for non-wind power. Wind developers however continue to offer aggressive fixed forward rates in the high 20's as they attempt to lock in the ITC before year end.

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