

Distribution Utility No. 2

1. Percentage of FIT plants	3.00%
2. Growth Rate	4.00%
3. Annual Increment	1.00%

		REC COMPLIANCE ACCOUNT									
Year	4. Energy Sales MWHs	5. RPS Requirement (MWHs)	6. Beginning Balance	7. RECs Allocated from FIT	8. RECs Issued from PSAs with new RE	9. RECs Surrendered for Compliance	10. Ending Balance	11. Additional RECs needed	12. Additional Capacity needed		
2018	0	2,920,596	-	87,618	-	0	87,618	-			
2019	transition	3,037,420	87,618	87,618	-		175,236	-			
2020	1	3,158,916	175,236	87,618	-	121,497	141,357	-			
2021	2	3,285,273	141,357	87,618	-	157,946	71,029	-			
2022	3	3,416,684	71,029	87,618	38,470	197,116	-	38,470	12		
2023	4	3,553,351	-	87,618	151,550	239,168	-	113,080	36		
2024	5	3,695,485	-	87,618	196,650	284,268	-	45,100	14		
2025	6	3,843,305	-	87,618	244,976	332,594	-	48,326	15		
2026	7	3,997,037	-	87,618	296,713	384,330	-	51,737	16		
2027	8	4,156,919	-	87,618	352,056	439,674	-	55,344	18		
2028	9	4,323,195	-	87,618	411,212	498,830	-	59,156	19		
2029	10	4,496,123	-	87,618	474,398	562,015	-	63,185	20		
2030	11	4,675,968	-	87,618	541,839	629,457	-	67,442	21		
2031	12	4,863,007	-	87,618	613,777	701,395	-	71,938	23		
2032	13	5,057,527	-	87,618	690,463	778,081	-	76,686	24		
2033	14	5,259,828	-	87,618	772,162	859,780	-	81,699	26		
2034	15	5,470,221	-	87,618	859,151	946,769	-	86,989	28		
2035	16	5,689,030	1,039,342	87,618	951,724	1,039,342	-	92,573	29		
2036	17	5,916,591	1,137,806	87,618	1,050,188	1,137,806	-	98,464	31		
2037	18	6,153,255	1,242,484	87,618	1,154,866	1,242,484	-	104,678	33		
2038	19	6,399,385	1,353,716	87,618	1,266,098	1,353,716	-	111,232	35		
2039	20	6,655,360	1,471,859	87,618	1,384,241	1,471,859	-	118,142	37		
2040	21	6,921,575	1,597,287	87,618	1,509,669	1,597,287	-	125,428	40		

1. Percentage of FIT plants: Represents the estimated share of total generation sales coming from FIT eligible plants.
2. Growth Rate: Represents the annual growth rate in sales for the Distribution Utility (DU)
3. Annual Increment: Represents the annual increase in the RPS requirement per the RPS Rules.
4. Energy Sales MWHs: Represents the actual sales level for the DU in 2018. The sales level is increased each year based on the Growth Rate (2).
5. RPS Requirement (MWHs): The RPS requirement starts out as the Percentage of FIT plants (1) times the prior years Energy Sales (4) plus the annual increment. Therefore, for the year 2020 the RPS requirement is 3% plus 1% times the Energy Sales for the prior year (2019) ($4\% \times 3,037,420 = 121,497$). Each year after 2020 the percentage is increased by the annual increment. (4%, 5%, 6%,...)
6. Beginning Balance: Represents the level of RECs in the Compliance Account at the start of the year.
7. RECs Allocated from FIT: Represents the percentage of FIT plants (1) times the Energy Sales for 2018. The number is the same for each year under the assumption that there will be no additional FIT beyond the existing plants.
8. RECs issued from PSAs with new RE: This represents RECs from PSAs with RE plants that have come on line after the affectivity of the RE Law. After 2022 it represents the level of new RECs needed to have the ending balance be zero after the RECs needed for compliance are surrender.
9. RECs Surrendered for Compliance: Represents the RPS requirement for a given year. The DU must surrender the number of RECs equal to the requirement for that year.
10. Ending Balance: Represents the balance in the REC Compliance Account at the end of the year.
11. Additional RECs needed: Represents the number of additional RECs that need to be augured in a given years so that the balance in the account is equal to the number of RECs that need to be surrendered in a given year. The simulation assumes that the RECs acquired in a given year will continue in future years based on a long term Power Supply Agreement with an eligible RE plant.
12. Additonal Capacity needed: Represents the capacity needed to produce the level of RECs needed (11) at an assumed capcity factor of 36%.