



MICHIGAN RENEWABLE ENERGY CERTIFICATION SYSTEM ANNUAL REPORT FOR 2014-2015

Per the approved Department of Energy, Labor and Economic Growth Agreement that designates APX, Inc. (APX) as the State of Michigan Administrator of the Michigan Renewable Energy Certification System (MIRECS), APX submits the following Annual Report for the period of July 1, 2014 through June 30, 2015 (Year 6). This report provides an update on MIRECS operations and trends over the course of Year 6.

OPERATIONS

Account Registration

In Year 6, two General Accounts, two Project Accounts, one Michigan Electric Service Provider Account, and one Import Certification Account were opened in MIRECS. Conversely, one Michigan Electric Service Provider Account, one General Account, and one Project Account were closed. As a result, and at the end of Year 6, the total number of active MIRECS Accounts increased by a net total of 3, from 122 accounts to 125 accounts.

TABLE 1: MIRECS ACCOUNT REGISTRATIONS

Registration	New Accounts in Year 6	Total Accounts in MIRECS (end of Year 6)
Accounts	QTY	QTY
General	2	14
Project	2	34
Michigan Electric Service Provider	1	71
Non Profit Wholesale Power Provider	0	4
Import Certification Account	1	2
Total Accounts	6	125



Project Registration

In Year 6, MIRECS added 8 new projects and 2 new import projects, bringing the total quantity of registered projects to 276. These new projects utilize one of the following five technologies: solar, hydroelectric, biomass, landfill gas, or wind.

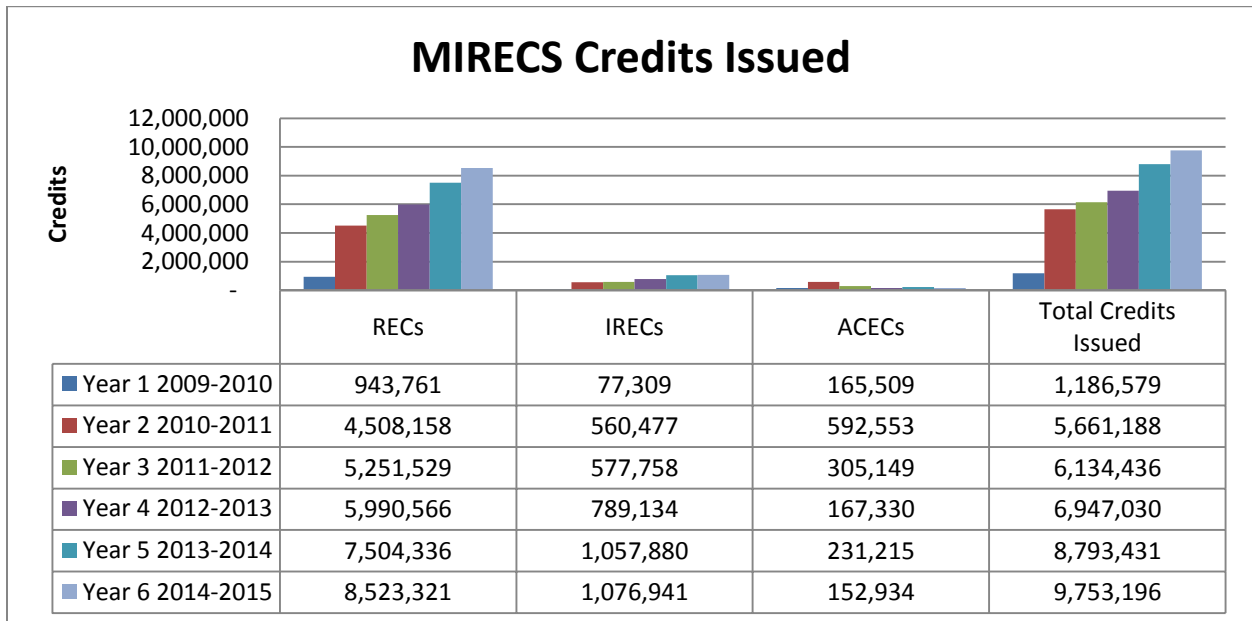
TABLE 2: MIRECS PROJECT REGISTRATIONS

Registration	New Projects in Year 6	Total Projects in MIRECS (end of Year 6)
Projects	QTY	QTY
MIRECS Generation	8	214
Import	2	57
Total Projects	10	276

Issued Credits

In Year 6, the total quantity of Credits issued in MIRECS was 9,753,196. The number of Credits issued has increased every year in MIRECS, and this trend continued in Year 6.

TABLE 3: MIRECS CREDIT ISSUANCE





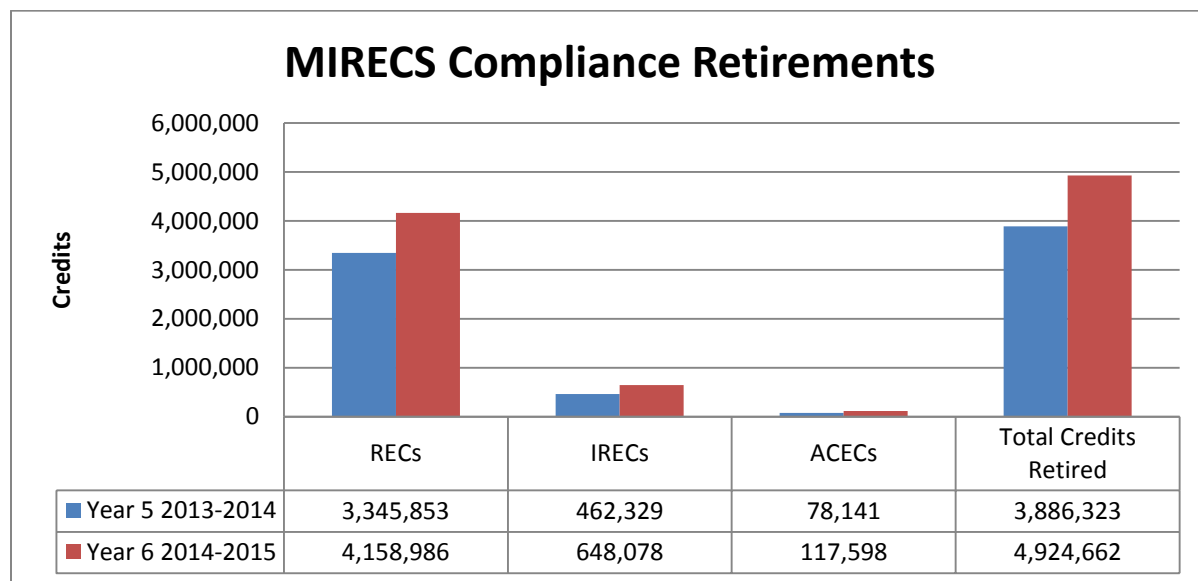
Retired Credits

In MIRECS, retirement of Credits is an action taken to remove a Credit from circulation and is effectuated by transferring Credits into a Retirement Sub-account or a Group Retirement Sub-Account. An Account Holder has the option to retire Credits for either Compliance or Voluntary reasons.

Compliance Retirements

In Year 6, Michigan Electric Service Providers (ESP) submitted 2013 Compliance Filings to satisfy their respective PA 295 requirements. All 71 Michigan ESPs submitted eligible Credits to their 2013 Compliance Subaccounts through MIRECS. The Michigan Public Service Commission (MPSC) reviewed and approved the completed subaccount submissions, and the MIRECS Credits were retired for Compliance. As shown in Table 4 below, over 4.9 million MIRECS Credits were retired for Michigan Compliance in Year 6, representing a year over year increase in Compliance Retirement activity.

TABLE 4: MIRECS COMPLIANCE RETIREMENTS



Voluntary Retirements

In Year 6, a total number of 378,185 Credits were voluntarily retired in MIRECS. The Credits were voluntarily retired against three different retirement types; Retired on Behalf of Beneficial Owner, Used by Account Holder for a Utility Green Pricing Program, and Other (Expired MI Eligibility or For Environmental Benefit). The total number of Voluntary Retirements in Year 6 increased slightly compared to Year 5.

TABLE 5: MIRECS VOLUNTARY RETIREMENTS

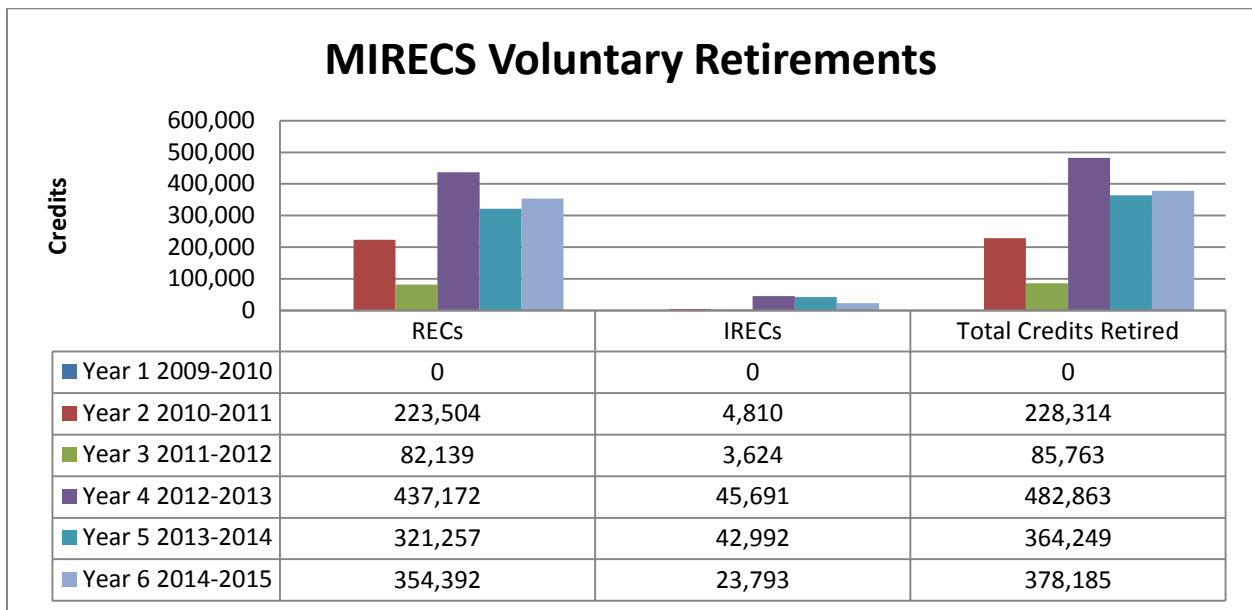
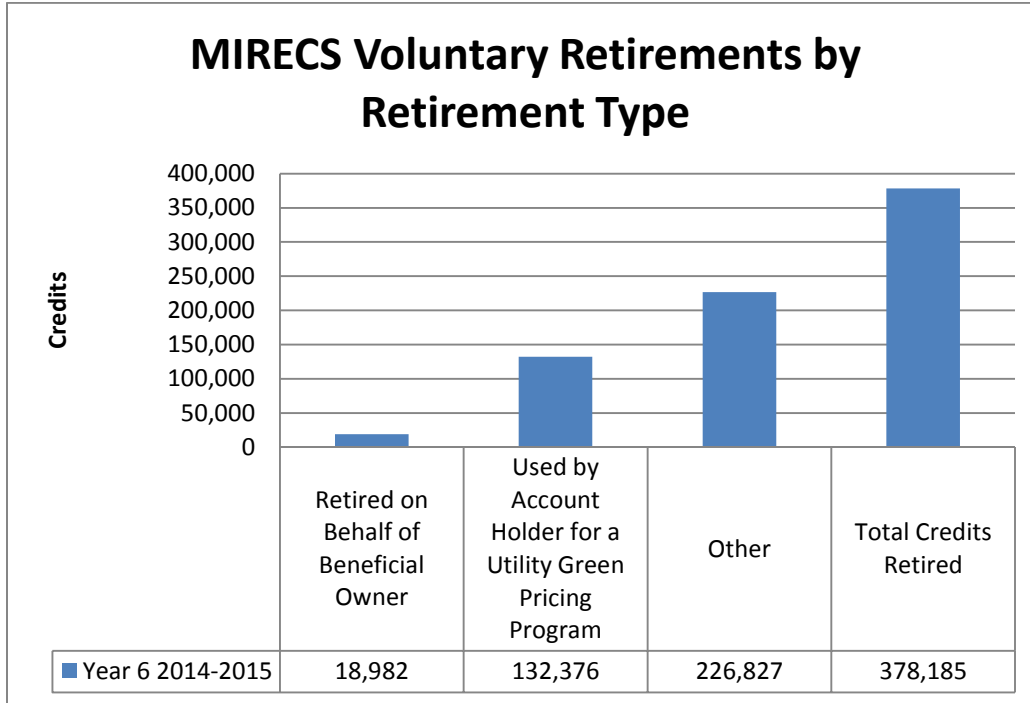


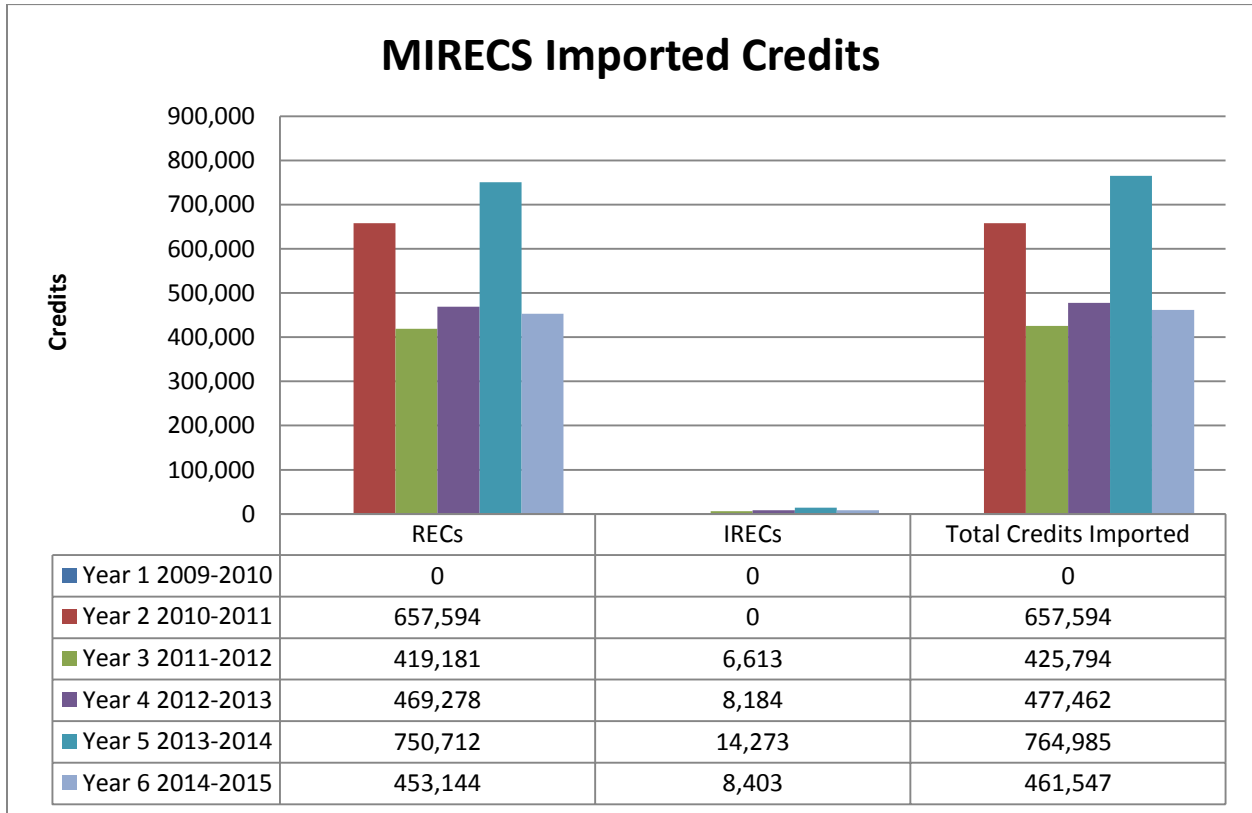
TABLE 6: MIRECS VOLUNTARY RETIREMENTS BY RETIREMENT TYPE IN YEAR 6



Imported Credits

In Year 6, a total number of 461,547 Credits were imported into MIRECs from other compatible tracking systems. MIRECS imported 267,272 Credits from PJM-GATS and 194,275 Credits from M-RETS. The number of Credits imported into MIRECS was lower in Year 6 than in Year 5.

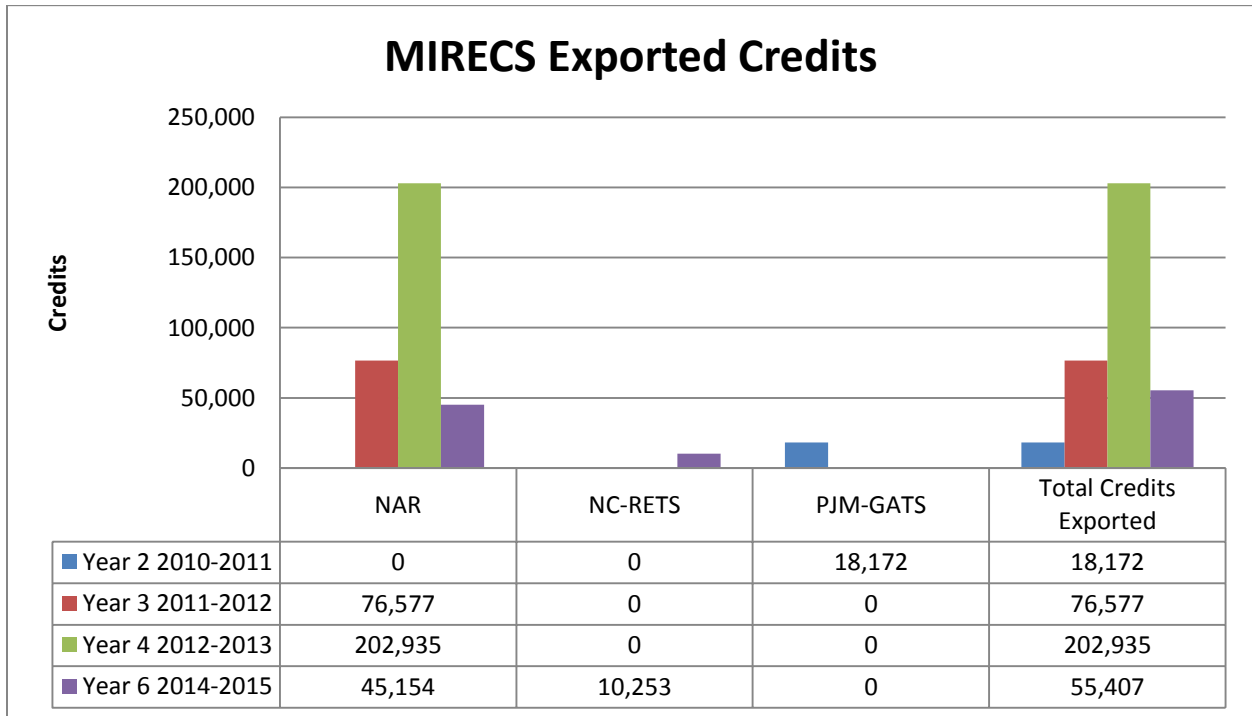
TABLE 7: MIRECS CREDIT IMPORTED



Exported Credits

In Year 6, a total number of 55,407 Credits were exported to other compatible tracking systems. Prior to this year, the last time Credits were exported from MIRECS was in Year 4. As shown in Table 7 below, the majority of Credits were exported to the North American Renewable Registry (NAR).

TABLE 8: MIRECS CREDIT EXPORTED



MIRECS Website

The MIRECS website continues to be available to users online 24 hours a day, 7 days a week. During Year 6, MIRECS experienced no unscheduled downtime.



MIRECS ENHANCEMENTS

In addition to the normal operations and administrative support of MIRECS, several specific initiatives were undertaken and completed during Year 6 of MIRECS Operations:

On May 13, 2015, APX released MIRECS Build 12.0 to the MIRECS Production environment. The release focused primarily on enhancements that would help both the MPSC and MI ESPs more efficiently manage annual MIRECS Compliance related processes, and also included improvements to assist Account Holders with their daily operations. Below is a summary of the important highlights from this release:

- Automated Compliance Sub-Account creation for 2015, 2016, and 2017. Moving forward, MIRECS automatically creates Compliance Sub-Accounts annually and MI ESPs no longer have the ability to create Compliance Sub-Accounts.
- Added Dispute button and Dispute Reason field to the Compliance Sub-Account screen to allow MI ESPs to dispute the Annual Requirements loaded in MIRECS.
- Added New Retirement Type called 'Used for Energy Optimization' as an option for MIRECS Retirements.
- Added EIA ID column to the MIRECS Projects Report and Import Projects Report under Public Reports.
- Added new project type, Nano Project (<10kW) to Project Registration and modified the size of the Micro Project type to be between 10kW to <40kW.

On May 22, 2015, APX also implemented a system release that allows for inter-registry transfers between MIRECS and M-RETS. MIRECS Account Holders can now export eligible MIRECS Credits to M-RETS for the first time.