



MICHIGAN RENEWABLE ENERGY CERTIFICATION SYSTEM ANNUAL REPORT FOR 2016-2017

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, 2016 through June 30, 2017 (Year 8). This report provides an update on MIRECS operations and trends over the course of Year 8.

OPERATIONS

Account Registration

In Year 8, no new accounts were opened in MIRECS. One General Account was closed in MIRECS and one Project Account was inactivated due to Late Payment of Fees. As a result, and at the end of Year 8, the total number of active MIRECS Accounts was 121 accounts.

TABLE 1: MIRECS ACCOUNT REGISTRATIONS

Registration	New Accounts in Year 8	Total Accounts in MIRECS (end of Year 8)
Accounts	QTY	QTY
General	0	13
Project	0	33
Michigan Electric Service Provider	0	69
Non Profit Wholesale Power Provider	0	4
Import Certification Account	0	2
Total Accounts	0	121



Project Registration

In Year 8, 18 new MIRECS Generation projects and 3 Import projects were registered in MIRECS. These include all new projects that were in Need Info, Pending, or Approved Status in Year 8. Of the 21 new projects registered, 17 projects were Approved and the remaining 4 were either in Pending or Need Info status as of the end of Year 8, which means they require additional information from the Account Holder. In Year 8, 2 projects were closed. At the end of Year 8, the total quantity of registered projects in MIRECS increased to 298. These new projects utilize one of the following four technologies: solar, hydroelectric, biomass, or wind.

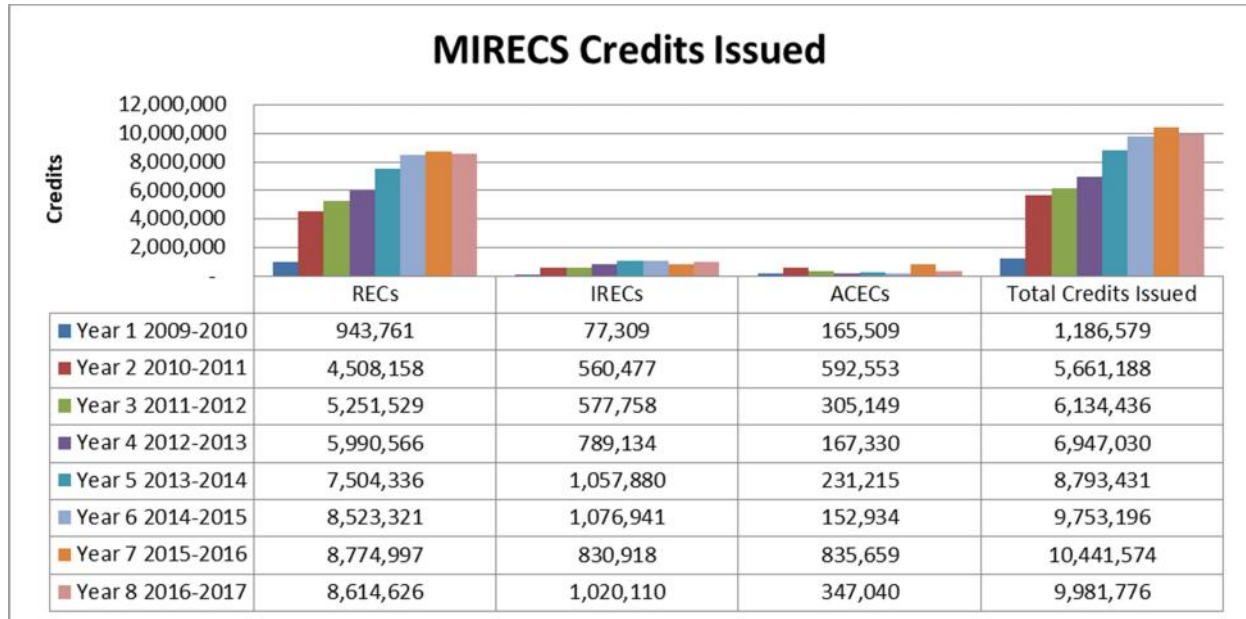
TABLE 2: MIRECS PROJECT REGISTRATIONS

Registration	New Projects in Year 8	Total Projects in MIRECS (end of Year 8)
Projects	QTY	QTY
MIRECS Generation	18	238
Import	3	60
Total Projects	21	298

Issued Credits

In Year 8, the total quantity of Credits issued in MIRECS was 9,981,776. The number of total Credits issued decreased in Year 8. Specifically, the number of ACECs issued was less than half in Year 8 as compared to Year 7 because the utilities were no longer using ACECs in MIRECS as reported in their Renewable Energy Plan with the MPSC.

TABLE 3: MIRECS CREDIT ISSUANCE



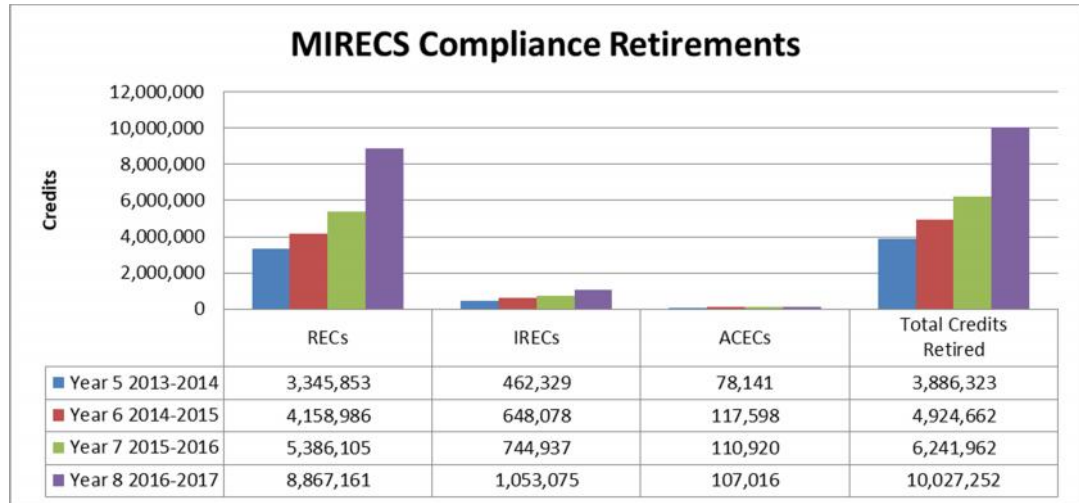
Retired Credits

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 8, Michigan Electric Service Providers (ESP) submitted 2015 Compliance Filings to satisfy their respective PA 295 requirements. All 69 Michigan ESPs submitted eligible Credits to their 2015 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 10 million MIRECS Credits were retired for Michigan Compliance in Year 8. The year over year increase in Compliance Retirement activity is due to additional compliance requirements for large utilities in 2015.

TABLE 4: MIRECS COMPLIANCE RETIREMENTS



Voluntary Retirements

In Year 8, a total number of 252,985 Credits were voluntarily retired in MIRECS. The Credits were voluntarily retired against one of 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 8 increased compared to Year 7.

TABLE 5: MIRECS VOLUNTARY RETIREMENTS

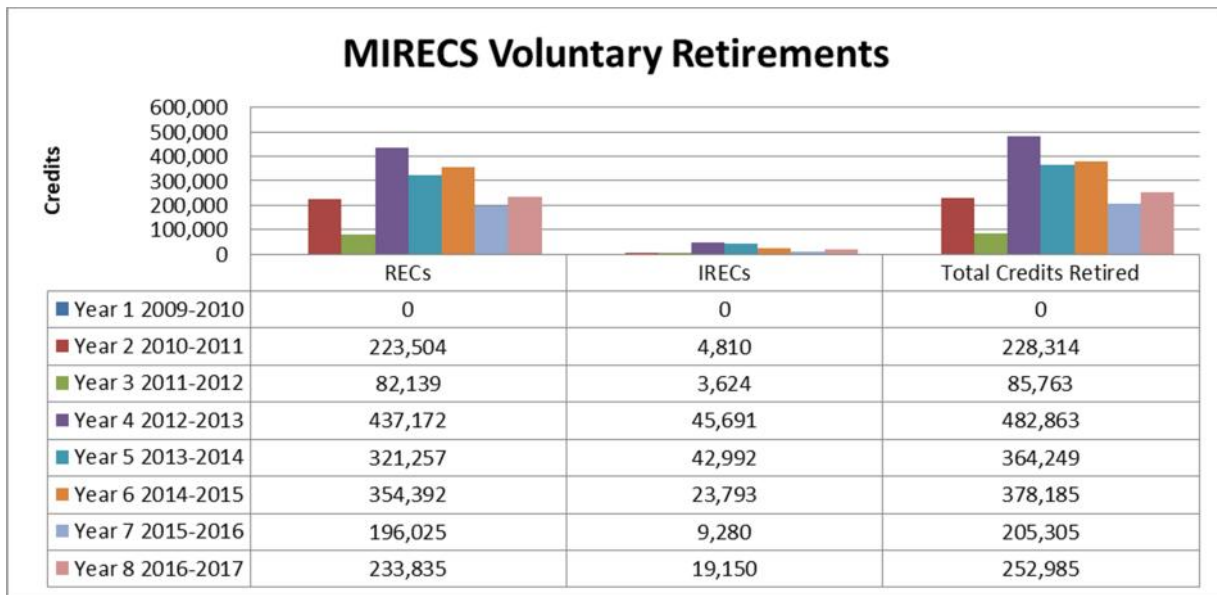
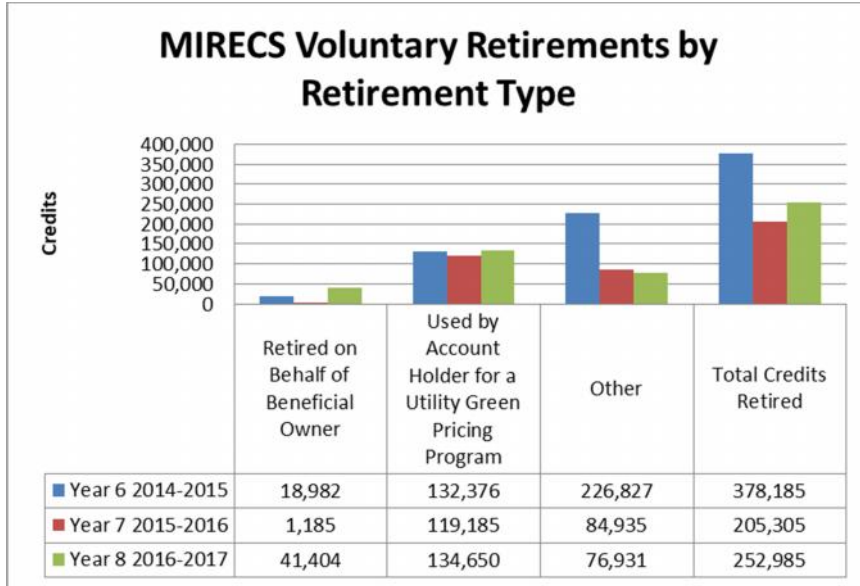


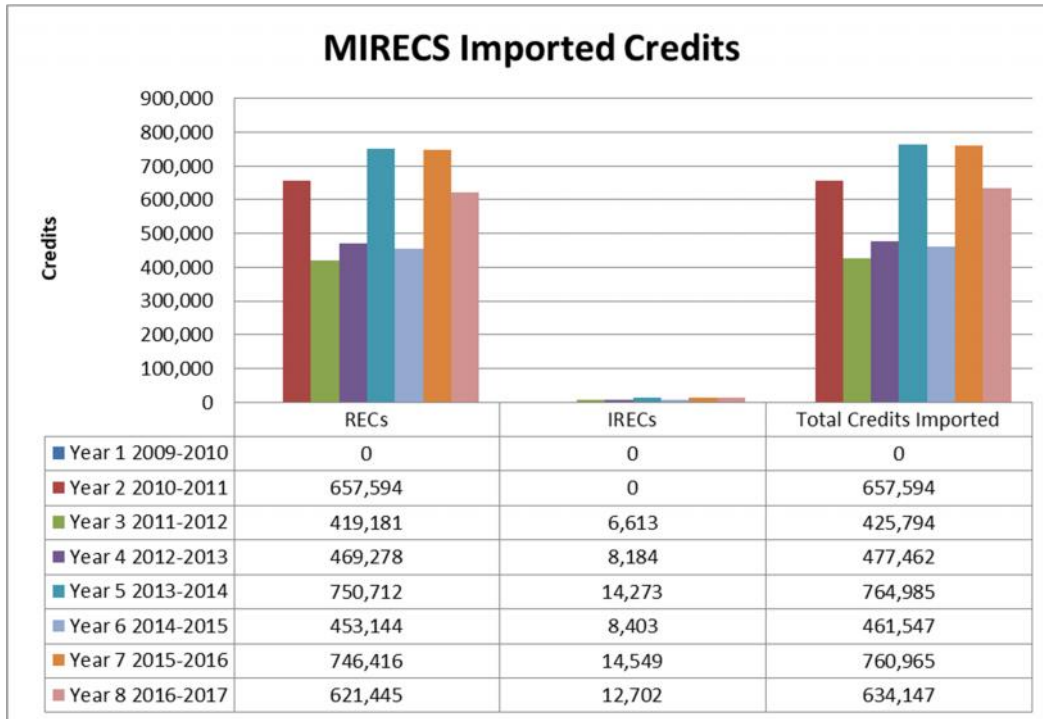
TABLE 6: MIRECS VOLUNTARY RETIREMENTS BY RETIREMENT TYPE IN YEAR 8



Imported Credits

In Year 8, a total number of 634,147 Credits were imported into MIRECS from other compatible tracking systems. MIRECS imported 315,925 Credits from PJM-GATS and 318,222 Credits from M-RETS. The number of Credits imported into MIRECS was less in Year 8 than in Year 7.

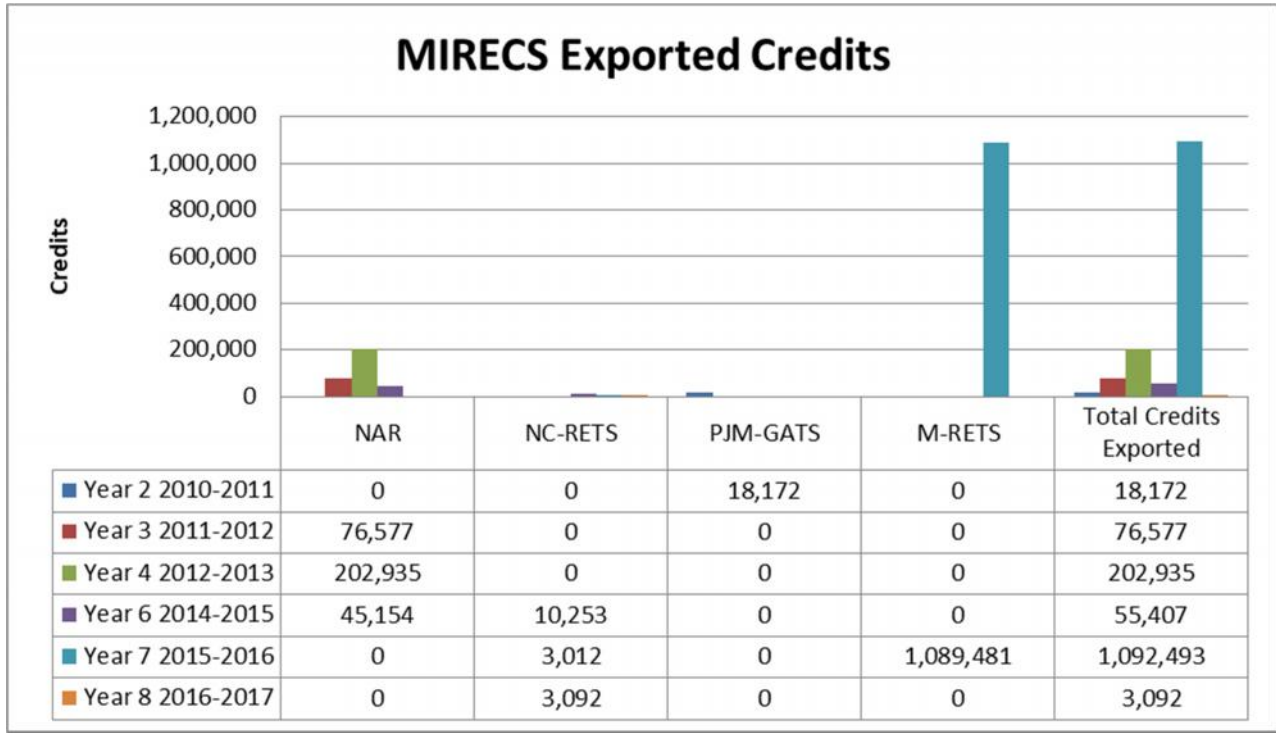
TABLE 7: MIRECS CREDIT IMPORTED



Exported Credits

In Year 8, a total number of 3,092 Credits were exported to other compatible tracking systems. As shown in Table 8 below, all the Credits were exported to NC-RETS and zero Credits were exported to other compatible registries.

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 8, MIRECS experienced no unscheduled downtime.