

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission’s own motion,)
regarding the regulatory reviews, revisions,)
determinations, and/or approvals necessary for)
TRAVERSE CITY LIGHT & POWER to fully)
comply with Public Act 295 of 2008)
_____)

Case No. U-16635

SUBMITTAL OF RENEWABLE ENERGY ANNUAL REPORT

In accordance with the Michigan Public Service Commission’s Order issued April 12, 2018, Traverse City Light & Power hereby submits the attached Renewable Energy Annual Report for 2020.

Respectfully submitted,

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Dated: June 30, 2021

Renewable Energy Annual Report

Revised May 2021

Electric Provider: **Traverse City Light & Power**

Reporting Period: Calendar Year 2020

- Section 51(1) of 2008 PA 295, as amended by 2016 PA 342, requires the filing of this document with the Michigan Public Service Commission.
- The purpose of this annual report is to provide information regarding activities that occurred within calendar year 2020.
- Many of the requested figures are available from MIRECS reports; names of which are noted within this template. If your figures agree with those within MIRECS, you may submit the MIRECS report as an attachment to this annual report. If your figures differ from those within MIRECS, please explain any discrepancies. Staff from the MPSC and MIRECS Administrator, APX, Inc., are available to help reconcile.

Section 51(1).

Within this section, list and describe actions taken by the electric provider to comply with the renewable energy standards.

a. Filings to the Commission (case numbers)

U-16635

b. Summary of actions taken during reporting period

Traverse City obtained their required energy credits from the Landfill Gas Project (Energy Developments (EDL) and North American Natural Resources (NANR) Projects), from their Stoney Corners Wind Farm Project, M-72 Solar Project I and II, M-72 Wind Project, Pegasus Wind Project and Assembly I Solar Project. The 2019 Annual Report was submitted on June 30th, 2020 and subsequently approved by the MPSC.

Section 51(2)(a).

Within this section, list the combined total number of vintage 2020 renewable energy credits and incentive credits generated, and renewable energy credits purchased by vintage during the reporting period, including those credits transferred from a wholesale electric supplier. This data may be found in the MIRECS report titled: My Credit Transfers using the transfer tabs indicated below and filtering the report by date (**only activity occurring in 2020**).

Credits	Combined Renewable Energy Credits and Incentive Credits
Generated (Intra-Account Transfer, only "Issued" in the Action column)	-
Purchased (Inter-Account Transfer, only "Confirm" or "Forward Transfer" in the Action column)	2019 Vintage: 21,356 2018 Vintage: 3,888 2017 Vintage: 1,176
Total Credits	26,420

"Issued" within the Action column refers to an account holder accepting the generation data after which energy credits are created. "Confirm" within the Action column refers to both the transferee and transferor agreeing to the non-recurring transfer. "Forward Transfer" within the Action column indicates a recurring transfer of which subsequent transfers of credits do not need to be accepted by both parties.

Explain any differences between the data provided and MIRECS reports.

MIRECS 2020 Compliance sub-account reports shows 2020 REC requirement fulfillment, the table above from Section 51(2)(a) shows only activity that occurred in 2020, which included the 2017-2019 vintage RECs with "Confirm" or "Forward Transfer" within the Action column of the Inter-Account Transfer section of the My Credit Transfers MIRECS page. Traverse City fulfilled the 2020 Compliance requirement through REC transfers that occurred in June 2019 and June 2020.

Within this section, list the type of and number of energy credits sold, traded or otherwise transferred during the reporting period (**only activity occurring in 2020**).

	Combined Renewable Energy Credits and Incentive Credits
Sold, traded or otherwise transferred	-

To get a count of energy credits that have been sold, traded or otherwise transferred data may be found in the MIRECS report titled: My credit transfers; inter-account transfer; filter by 1) year (2020) 2) transferor (the company) and 3) action ("confirm").

Section 51(2)(c).

Within this section, list each renewable energy system (RES) owned, operated or controlled by the electric provider. List the capacity of each system, the amount of electricity generated by each system and the percentage of electricity which was generated from renewable energy (RE).

System Name ¹	System Type (RES)	Nameplate Capacity (MW)	Electricity Generated (MWh)	% of Electricity generated by RE/ACE
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

¹System name should agree with the project name listed within MIRECS. This data may be found in the Project Management module within MIRECS.

Within this section, list the renewable energy system (RES) the electric provider is purchasing energy credits from. These include purchase power agreements. However, unbundled (credit only) purchases do not need to be listed here. Projects (generators) serving multijurisdictional electric providers should be listed here.

System Name	System Type (RES)	Electricity Purchased (MWh)	Energy Credits Purchased ¹	Allocation Factor and Method
Landfill Gas Project – Energy Developments	RES	9,467	9,466 RECs	Percentage – 8.13%
Landfill Gas Project - NANR	RES	2,819	2,818 RECS 262 iRECs	Percentage – 8.13%
Stoney Corners Wind Farm	RES	24,217	24,217 RECs	Percentage – 100%
M-72 Solar	RES	1,366	1,366 RECs 2,732 iRECs	Percentage – 100%
M-72 Solar II	RES	2,028	2,028 RECs	Percentage – 100%
M-72 Wind	RES	0	0 RECs	Percentage – 100%
Pegasus Wind Project	RES	8,932	8,971 RECs	Percentage – 5.80%
Assembly I Solar	RES	146	146 RECs 31 iRECs	Percentage – 24.40%

Differences between MWh and Energy Credit values due to credit rounding and financial schedule settlement

¹Distinguish between different types of credits (REC).

Allocation Factor and Method: For use if 100% of system output is not purchased. For instance, a system selling to multiple parties: list how the energy and credits are allocated – if by percentage, list the percentage as well.

Allocation Factor and Method: If used by multijurisdictional electric providers please include which percentage of energy and credits are to be distributed to Michigan (list allocation method as well, for example: system load).

Section 51(2)(d).

Within this section, list whether, during the reporting period, the electric provider entered into a contract for, began construction on, continued construction of, acquired, or placed into operation a renewable energy (RE) system.

System Name ¹	Resource (technology, RE)		Nameplate Capacity (MW)	Construction start date or acquisition date	Commercial operation date	Owned by electric provider?
Assembly I Solar	Solar	-	9.76	5/1/2020	12/21/2020	No
Solar	Solar	-	7.58	12/1/2020	9/1/2021	No
Solar	Solar	-	12.20	12/1/2020	1/1/2022	No

¹System name should agree with the project name listed within MIRECS.

Dates may be forecast.

Section 51(2)(e).

Within this section, list the expenditures incurred during the reporting period to comply with the renewable energy standards or the forecasted expenditures for the remaining plan period. Also, electric providers with an approved or planned renewable energy surcharge (as per Section 45), list the incremental cost of compliance (ICC) incurred during the reporting period.

Total Costs to Comply with Renewable Energy Standard in 2020

Forecast of total expenditures for the remaining plan period of 2021-2029

Total Expenditures: ICC + Transfer Cost

Total Transfer Cost for 2020 (if any)

Transfer Cost: The component of renewable energy and capacity revenue recovered from PSCR clause.

Total ICC for 2020

Note: City chose to use Cost of RECs method to calculate the ICC

Forecast of the ICC for the remaining plan period (2021-2029)	Monthly residential surcharge (\$3 or less)

Capital Expenditures for 2020 (if any)

Capital Expenditure: An investment in a renewable energy capital asset.

Section 51(2)(f).

Within this section, list the method and the retail sales in MWh for the reporting period.

List the Method: either average of 2017-2019 retail sales or the 2019 weather normalized retail sales.

Average of 2017-2019 Retail Sales

The method chosen should be consistent with the method approved in the initial plan case from 2017. All sales are retail (net of wholesale).

(A) List the sales in MWh based on the method selected above. Please show the calculation of this figure (including listing the sales of each year if the three year average method is used).

2017 Retail Sales: 318,111 MWh
2018 Retail Sales: 341,483 MWh
2019 Retail Sales: 311,489 MWh
Three-Year Average Retail Sales: 323,694 MWh

(B) Compliance: List the energy credits used for compliance for the 2020 compliance year. This number should agree with the compliance requirement listed in the 2020 compliance subaccount in MIRECS. Take into account any energy waste reduction substitutions and limits on their use.

Used for 2020 Compliance: 40,462

Calculate the renewable energy percentage. Figure above divided by sales in MWh above (B divided by A).

$40,462 / 323,694 = 12.5\%$

Does the “energy credits used for compliance for the 2020 compliance year” figure above include any credits representing energy generated within 120 days after the start of the next calendar year? Yes/No.

No

If yes, how many credits from 2021 generation are included?

N/A

To be used for 2021 Compliance Year

Similar to (A) from Section 51(2)(f) above.

List the sales in MWh based upon the same method selected above. Sales should either be the average of 2018-2020 retail sales or the 2020 weather normalized retail sales. Please show the calculation of this figure (including listing the sales of each year if the three year average method is used).

2018 Retail Sales: 341,483 MWh
2019 Retail Sales: 311,489 MWh
2020 Retail Sales: 316,169 MWh
Three-Year Average Retail Sales: 323,047 MWh