



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Dave Schelkoph
Meeting Date:	Tuesday, April 25, 2023
Category:	NEW BUSINESS
Type:	ACTION
Subject:	WAPA contract No. 23-UGPR-28, Designated Entity Contract, allowing MRES to become MMU’s administrator of the new WAPA Renewable Energy Credits (REC).
Background Information:	<p>On March 21st, 2023, the Marshall Utilities Commission approved a motion to recommend the approval of the WAPA contract No. 23-UGPR-28, Designated Entity Contract, allowing MRES to become MMU’s administrator of the new WAPA Renewable Energy Credits (REC)</p> <p>What is a REC? From the website of the Environmental Protection Agency, “a renewable energy certificate, or REC (pronounced: rĕk, like wreck), is a market-based instrument that represents the property rights to the environmental, social, and other non-power attributes of renewable electricity generation. RECs are issued when one megawatt-hour (MWh) of electricity is generated and delivered to the electricity grid from a renewable energy resource”.</p> <p>Starting in 2023, Western Area Power Administration (WAPA) has created and credited Renewable Energy Credits (REC) associated with the hydroelectric power they produce and deliver to all their power contract holders. MMU is a preferred customer of WAPA and is one of those contract holders. As the WAPA RECs are now recognized by the utility industry, they are now subject to the same regulations concerning all forms of REC contracted throughout the U.S. As MRES is already performing this REC administrative work for all REC purchased by our customers through the Bright Energy Choices program, MRES is offering their services to administer the MMU allotted WAPA REC. This service will be offered at no cost to MMU. By approving this contract, MMU will not have to become a member of Midwest Renewable Energy Tracking System (M-RETS) and the subsequent administration cost associated with said REC required by M-RETS. By signing this document MMU does not give up ownership or control of the WAPA REC.</p> <p>Both MRES and Dennis Simpson (on behalf of MMU) have reviewed this document for legal sufficiency and have given MMU the Green light to proceed.</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	Approve contract allowing MRES to become MMU’s administrator of the new WAPA RECs.