



MICHIGAN RENEWABLE ENERGY CERTIFICATION SYSTEM ANNUAL REPORT FOR 2015-2016

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, 2015 through June 30, 2016 (Year 7). This report provides an update on MIRECS operations and trends over the course of Year 7.

OPERATIONS

Account Registration

In Year 7, two General Accounts were opened in MIRECS. Conversely, two Michigan Electric Service Provider Accounts and three General Account were closed in MIRECS. As a result, and at the end of Year 7, the total number of active MIRECS Accounts decreased from 125 accounts to 123 accounts.

TABLE 1: MIRECS ACCOUNT REGISTRATIONS

Registration	New Accounts in Year 7	Total Accounts in MIRECS (end of Year 7)
Accounts	QTY	QTY
General	2	14
Project	0	34
Michigan Electric Service Provider	0	69
Non Profit Wholesale Power Provider	0	4
Import Certification Account	0	2
Total Accounts	2	123



Project Registration

In Year 7, 20 new projects were registered in MIRECS. These include all new projects that were in Need Info, Pending, or Approved Status in Year 7. Of the 20 new projects registered, 16 projects were Approved and the remaining 4 projects were either in Pending or Need Info status, which requires additional information from the Account Holder. In Year 7, 6 projects were closed. At the end of Year 7, the total quantity of registered projects in MIRECS increased to 279. These new projects utilize one of the following four technologies: solar, hydroelectric, biomass, or wind.

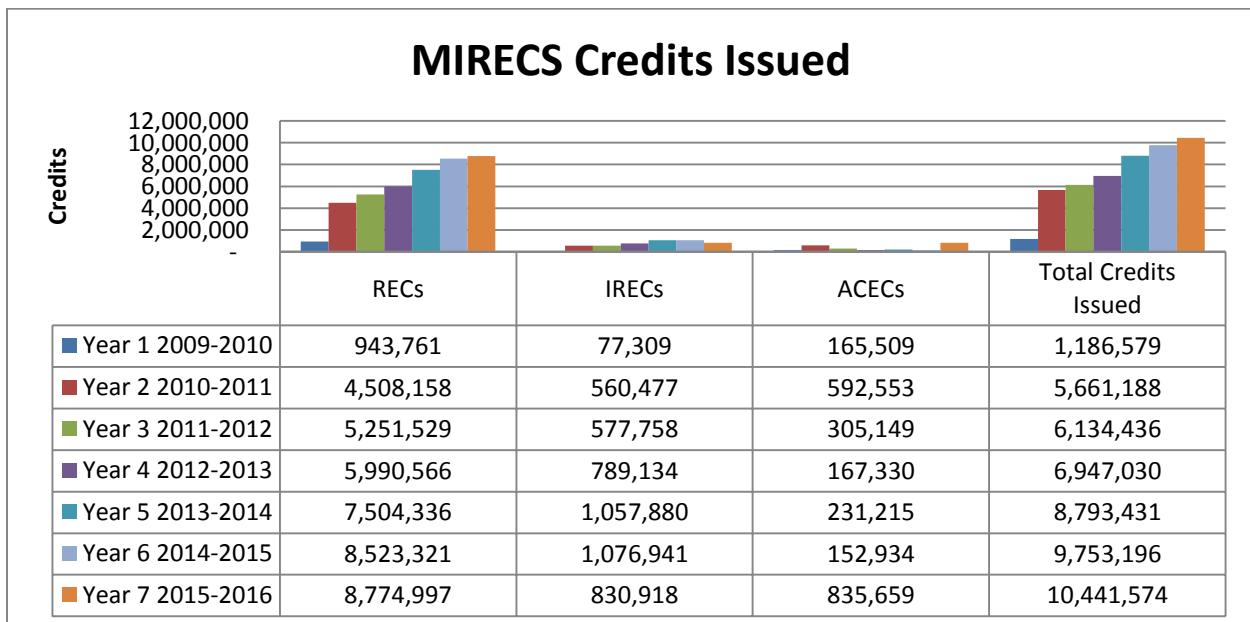
TABLE 2: MIRECS PROJECT REGISTRATIONS

Registration	New Projects in Year 7	Total Projects in MIRECS (end of Year 7)
Projects	QTY	QTY
MIRECS Generation	20	222
Import	0	57
Total Projects	20	279

Issued Credits

In Year 7, the total quantity of Credits issued in MIRECS was 10,441,574. The number of Credits issued has increased every year in MIRECS, and this trend continued in Year 7.

TABLE 3: MIRECS CREDIT ISSUANCE





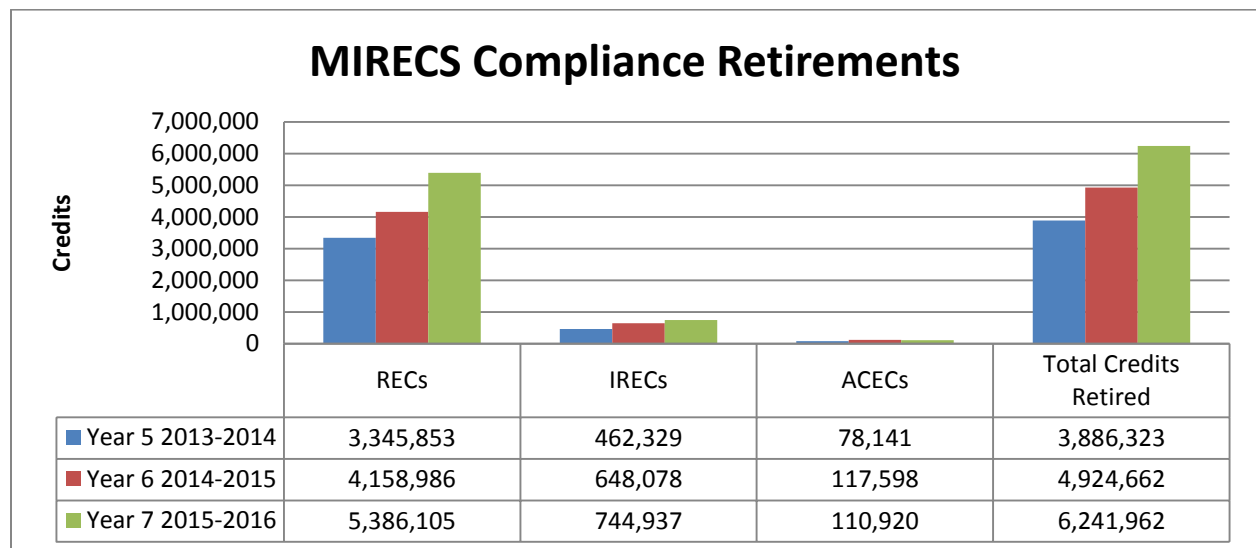
Retired Credits

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 7, Michigan Electric Service Providers (ESP) submitted 2014 Compliance Filings to satisfy their respective PA 295 requirements. All 70 Michigan ESPs submitted eligible Credits to their 2014 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 6.2 million MIRECS Credits were retired for Michigan Compliance in Year 7, representing a year over year increase in Compliance Retirement activity.

TABLE 4: MIRECS COMPLIANCE RETIREMENTS



Voluntary Retirements

In Year 7, a total number of 205,305 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 7 decreased compared to Year 6.

TABLE 5: MIRECS VOLUNTARY RETIREMENTS

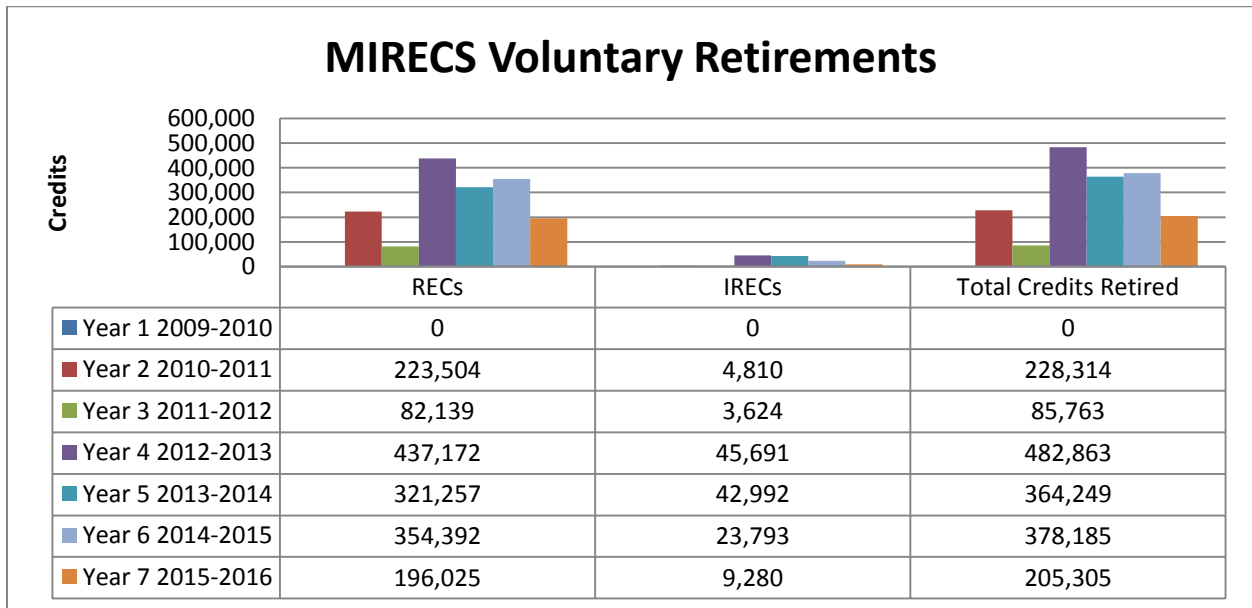
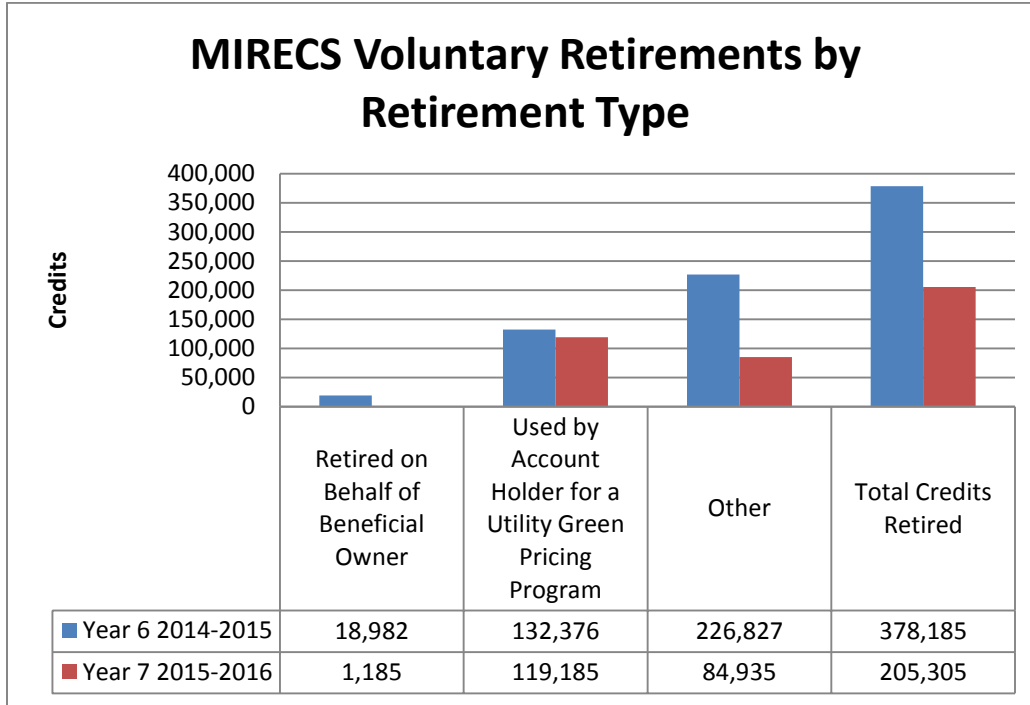


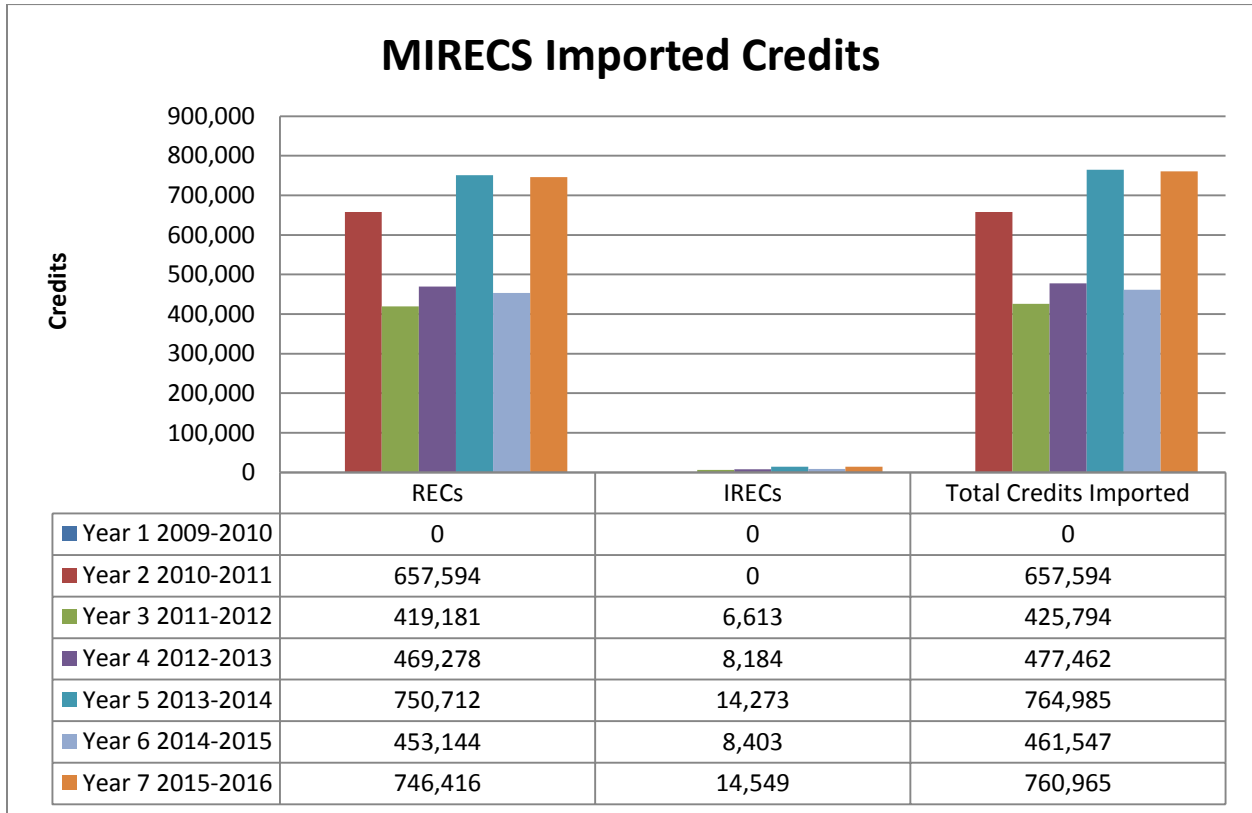
TABLE 6: MIRECS VOLUNTARY RETIREMENTS BY RETIREMENT TYPE IN YEAR 7



Imported Credits

In Year 7, a total number of 760,965 Credits were imported into MIRECS from other compatible tracking systems. MIRECS imported 442,566 Credits from PJM-GATS and 318,399 Credits from M-RETS. The number of Credits imported into MIRECS was higher in Year 7 than in Year 6.

TABLE 7: MIRECS CREDIT IMPORTED

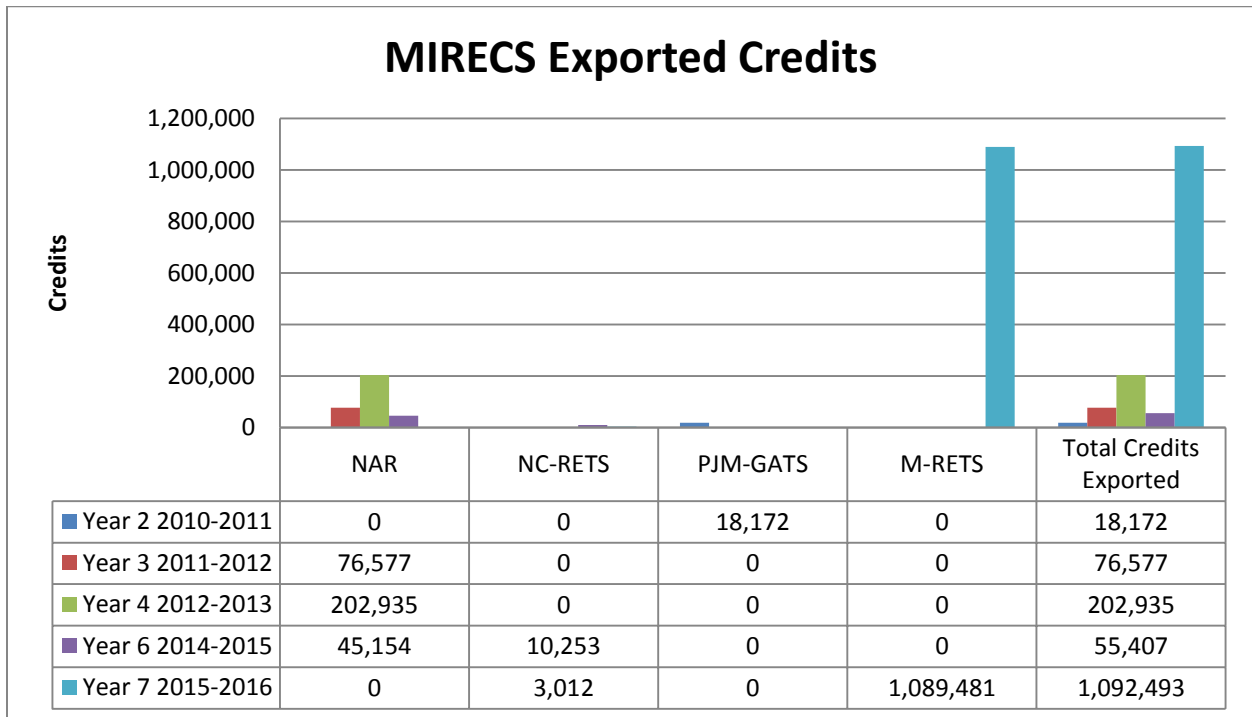




Exported Credits

In Year 7, a total number of 1,092,493 Credits were exported to other compatible tracking systems. Towards the end of Year 6, MIRECS was enhanced to allow inter-registry transfers between MIRECS and M-RETS. In Year 7, with the addition of exports to MRETS now fully in place, Account Holders exported 1,089,481 Credits to MRETS alone. As shown in Table 8 below, the majority of Credits were exported to MRETS relative to the other registries accepting MIRECS Credits.

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 7, MIRECS experienced no unscheduled downtime.