



Midwest REC Market Notes: Q2 2022

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Illinois: No change for IL. RECs generated in this state follow pricing for the power pool in which they are generated.

Michigan: The last quarter was quiet in the mitten state. We have a few offers with low to no bids against. This is normal for the MIRECs market; it goes in bursts and summer in Michigan typically sees lower liquidity.

Minnesota: Similar to Michigan, a quiet quarter. Some MN RPS trades around the \$0.75 level, and the rest went to the Green-e market.

Ohio: As we forecasted a year or so ago, the Ohio REC market continues its slow descent to parity with Green-e eligible RECs. The fight we have been talking about over the last few issues is still on-going. The involved parties have continued to file comments on the case, and as mentioned in our last issue, the filings contain no new information. So far the only winners in this process have been the respective legal teams, and perhaps those entities with a long Ohio REC positions. Though I must admit, I have never before seen two groups insult each other so eloquently. As an example *"what little approaches the realm of responsiveness demonstrates a monumentally flawed understanding of not only the discovery rules, but the entire hearing process."* So we shall wait and watch some more. It is our hope that PUCO resolves this dispute yet this calendar year.

Voluntary RECs: Green-e eligible

Pricing seems to be holding somewhat steady this quarter, with trades for current vintages trading in the \$1.50 - \$2.00 range. However, we are seeing a spike in prices for the out years, specifically V23 – V25, with trades happening close to \$4.00.

Voluntary RECs: Non-Green-e eligible

These RECs are still trading at a discount to Green-e. US Sited Hydro is the most requested, followed by North American Hydro (includes the U.S. and Canada), then any Non Green-e REC. Liquidity in this category has declined as the prices of Green-e have decreased to the sub \$2 range.

Pricing as of ~08/01/22			
Product	Bid	Ask	Trade
Michigan RPS RECs			
2019	1.75	2.50	
2020	2.25	2.75	
2021	2.65	2.90	2.65
2022	2.75	3.10	
Ohio RPS RECs			
2020	3.00	3.75	-
2021	3.75	4.00	
2022	4.00	4.20	4.05
Midwest Non-Green-e RECs			
2020	0.50	0.95	
2021	0.70	1.00	0.75
2022	0.90	1.25	
National Green-e RECs			
BH21 / FH22	1.50	1.90	1.65
BH22 / FH23	1.75	2.25	1.95
BH23	3.25	4.25	3.90

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