



September 4, 2008

Florida Renewable Portfolio Standard

Re: APX Comments to the Florida Public Services Commission on Docket No. 080503-EI

APX Inc. thanks the Florida Public Services Commission for the opportunity to submit comments on its August 11, 2008, draft rules for a Renewable Portfolio Standard (RPS). We commend Governor Crist, the Florida Legislature, and the Florida PSC for their leadership, and we recognize the Florida utilities and the many committed stakeholders in Florida for their efforts and support in pursuing a comprehensive policy for advancing renewable energy in the State of Florida.

APX offers its comments based upon its extensive experience in providing the critical integrity, transparency, and credibility for renewable energy and carbon markets. APX is the leading infrastructure provider for environmental and energy markets in renewable energy and greenhouse gases including carbon commodities. The APX Environmental Market Depository™ is trusted to create, track, manage, and retire renewable energy certificates (RECs), energy efficiency and conservation certificates, carbon offset credits such as verified emissions reductions (VERs), and greenhouse gas emission allowances.

The company is the system of choice for every major US renewable energy market:

- ERCOT Renewable Energy Credit Trading System
- NEPOOL Generation Information System (GIS)
- PJM-Generation Attributes Tracking System (GATS)
- Western Renewable Energy Generation Information System (WREGIS)
- Midwest Renewable Energy Tracking System (M-RETS)

APX also provides the highest quality transaction and data infrastructure for the tracking of GHG offsets and allowances, including for such international entities as the Voluntary Carbon Standard and The Gold Standard.

Renewable Energy Credit Market: APX supports the commission staff outline of a Renewable Energy Credit Market as described in section 17.410, paragraph 1, that will allow for the transparent production, buying, selling and trading of renewable energy credits. Given our experience in other state RPS markets, we strongly believe that system infrastructure will be one of the key considerations to effectively operate such a market, while insuring market efficiency, market integrity, public transparency and market oversight. We commend the Commission for its forward thinking on these

matters, and about the necessary underlying accounting, auditing and serialized tracking system that will be essential to support this market. We also note that such a system will provide for ease of reporting by the utilities and ease of audit and oversight by the Commission.

We also note that the Commission encourages the Investor-owned electric utilities (IOU's) to establish and contract with an independent not-for-profit corporation to develop and administer this market. On this matter we suggest that the Commission review and consider allowing maximum flexibility in its rules on system design, rather than foreclosing particular approaches at this stage. We recommend a model that would allow for a competitive tracking system provider to offer its services to a governance organization responsible for organizing and administering the RPS market. This could be an entity organized by the IOU's, or established by the Commission. This model has been proven successful in other state RPS markets, such as in the Midwest states with the MRETS and in New England with the NEPOOL GIS, where intermediate non-profit entities serve as the contracting party and provide a stakeholder forum and overall governance. These systems have proven track records of success and leverage private-sector capabilities in a fully transparent and accountable fashion.

APX is pleased to draw on its broad experience in developing transactional-based certificate tracking and reporting systems to provide these comments, and looks forward to our further participation in the Florida Renewable Portfolio Standard stakeholder processes.

Please feel free to contact us with any questions. We may be reached at jmelby@apx.com or gguzy@apx.com. Thank you for your consideration.

Sincerely,

s/John Melby
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APX, Inc.

s/Gary S. Guzy
General Counsel
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