

Green Mountain Energy Company



RECs & Carbon

A Green Marketers Perspective



Green Mountain Energy

- ▶ **Austin, Tx Headquarters**
- ▶ **10+ Years in Renewable Energy**
- ▶ **Texas Green Retail Electric Provider**
- ▶ **OR, NJ, NY-Green Power Programs**
- ▶ **BeGreen Carbon Solutions**



Benefits of Green Power

- ▶ **Environmental Benefits**
- ▶ **Energy Independence**
- ▶ **“Green Collar” Economics**
- ▶ **Potential Hedge Against Fossil Fuel Price Volatility**



The Right Tool for the Job

- ▶ **RECs= MWh's**
- ▶ **Carbon Offsets = Tons of CO₂e**
- ▶ **Green-E RECs Contain CO₂**
- ▶ **RECs Can Offset Indirect Emissions**
- ▶ **Carbon Offsets for Direct Emissions**



Trends

- ▶ **Carbon Offsets Gaining Traction in Commercial Deals**
- ▶ **Increasing Level of Sophistication Amongst Buyers**
- ▶ **REC Market Share as Offsets Decreased 13% in 2007***
- ▶ **Small % of Carbon Offsets Towards Electricity***

*State of Voluntary Carbon Markets 2008



Long Term Perspective

- ▶ **Voluntary RECs and Carbon Both Need CO2 Claims**
- ▶ **Bullish on Voluntary Markets- Post Recession**
- ▶ **Not All Renewable Projects Qualify for Both RECs and Certified Offsets**
- ▶ **Cap & Trade and Voluntary Markets Not Mutually Exclusive**



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