



TRANSPARENCY AND DECEPTION IN COMPETITIVE ELECTRIC MARKETS

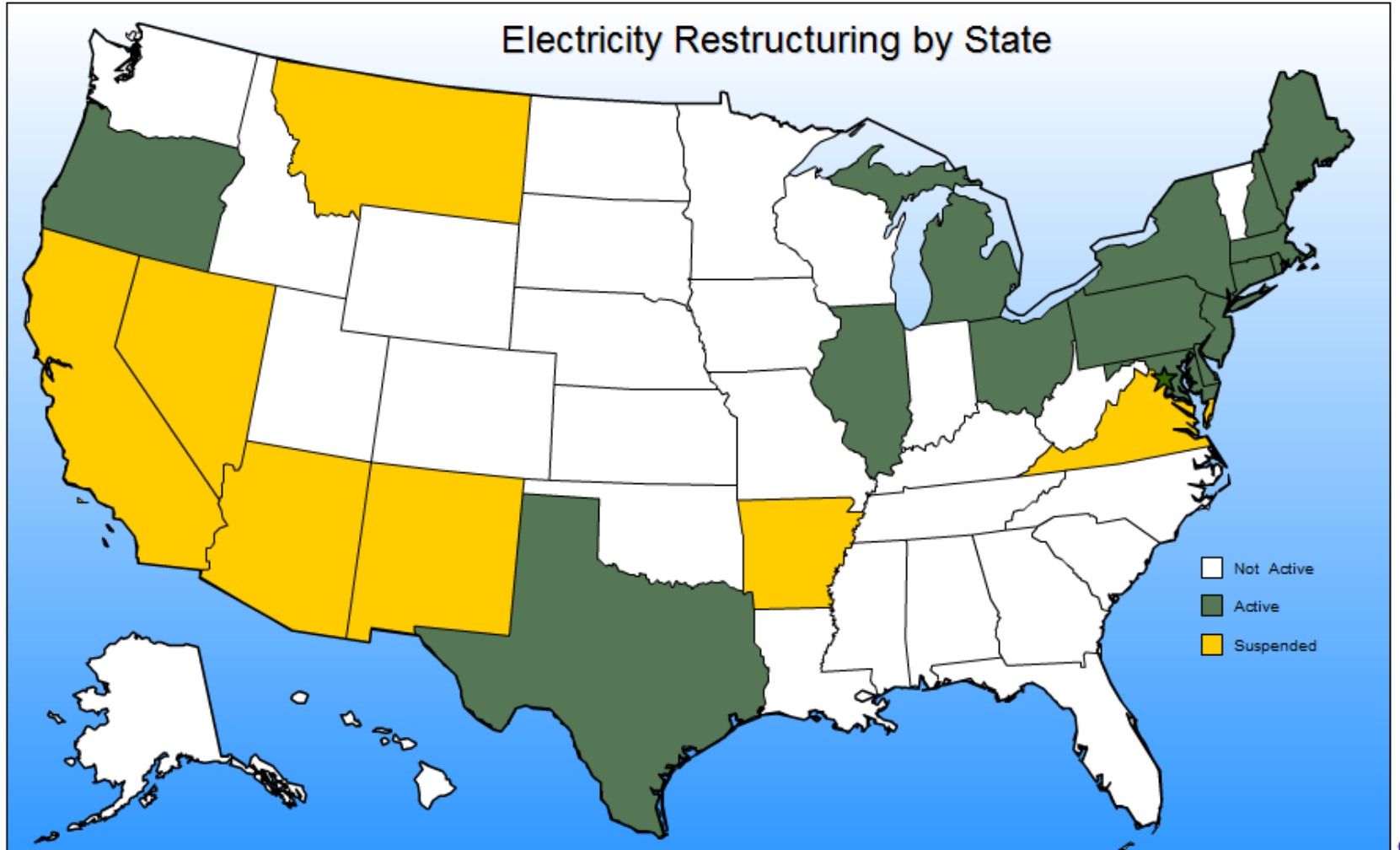
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Building a Clean Energy Future

- Clean energy market pioneer
- Experienced wind and solar developer
- Clean energy supplier to
 - 100,000+ residences and businesses
 - 20 utility green power programs
 - Some of the largest green power purchasers in the nation
- Licensed electricity supplier in PA





Source: Energy Information Administration

What is Deregulation?

- Customers can choose electricity suppliers
- Utility still delivers electricity and bills customer
- No utility monopoly on retail electricity sales
- Majority of Green Power sales in deregulated markets are with competitive electric suppliers, not utility green programs

Why Choose Green Power?

- Want clean air for public health benefits
- Concern about Climate Change
- Concern about dependence on foreign oil
- Like the hedge against rising fossil fuel prices
- Want to promote green jobs

Retail Product Options

- 45 Suppliers in PECO Territory
 - Greater Philadelphia Area
- 5 offer Green Electricity Products
 - Renewable Energy Certificates from with PJM Grid
- ~12 offer REC Products
 - Renewable Energy Certificates from outside PJM



Is There a Difference?

IV. ADDITIONAL CRITERIA FOR COMPETITIVE ELECTRICITY AND UTILITY GREEN PRICING PRODUCTS

A. *Geographic Eligibility for Electricity Products*

For electricity products (i.e. products used to meet a customer's electricity needs), provider can source from one or more of the following geographic boundaries:

- a) The **state** where the customer is located; and/or
- b) The North American Electric Reliability Corporation **NERC region**, Independent System Operator (**ISO**), Regional Transmission Organization (**RTO**) or **Balancing Authority Area** of the customer being served; and/or
- c) An **adjacent NERC, ISO, RTO or Balancing Authority Area** region where the electricity, bundled with a REC, is **wheeled into the respective region of the customer being served.**

B. *Use of Renewable Energy Certificates in an Electricity Product*

Renewable Energy Certificates (RECs) can be combined with nonrenewable power to serve green electricity customers under the following conditions:

- a) The Renewable Energy Certificates **must come from the defined geographic boundary of the customer being served** as noted above if they are to be marketed as an **“electricity”** product;

If the **RECs are sourced from outside the defined geographic boundary** defined in Section IV.A. (Geographic Eligibility for Electricity Products), the product will need to be marketed as a **REC product** and contain the appropriate disclosure language (see Green-e Energy Code of Conduct and Customer Disclosure Requirements).



Choose Green Electricity Today!

- Promote clean air locally
- Reduce your carbon footprint
- Advance energy security and independence for your electric grid
- Create green jobs locally



Energy



Go Green Today!

- Promote Clean Air
- Reduce your carbon footprint
- Advance energy security and independence
- Create green jobs



Energy

* This is a renewable energy certificate (REC) product. For every unit of renewable electricity generated, an equivalent amount of RECs is produced.

Why All the Fuss?

- Green Electricity
 - Customer might actually get the power
 - Coal and gas plants nearby will back down
 - Fixed-price electricity benefit in local grid
 - Green jobs economic benefits accrue locally

Why All the Fuss?

- REC
 - Customer cannot physically get the power
 - Customer doesn't get local health benefits
 - Customer will not benefit from fixed-price electricity in the future
 - Green jobs created on the other side of the country
 - Carbon reduction only real benefit

Recommendation

- Stronger distinction between REC and Green Electricity Products
- More education for consumers on questions to ask of competitive suppliers
- More nuanced discussion of how green power works
- Do we need Green-e Local?

Questions?

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