REC Best Practices and Claims

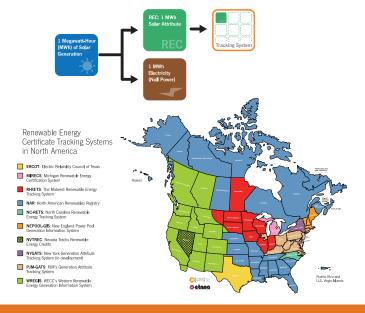
For every megawatt-hour of clean, renewable electricity generation, a renewable energy certificate (REC) is created. A REC embodies all of the environmental attributes of the generation and can be tracked and traded separately from the underlying electricity.

How RECs Work

Example Claims for a Solar Panel Owner or Leaseholder

REC: 1 MWh Solar Attribute REC 1 MWh Solar Attr

Electronic tracking systems are a useful tool for tracking ownership of RECs:



Example 1



Keeps and retires RECs and is the only party to make claims about using the renewable energy. **Claim:** "We use renewable energy."

Example 2



Does not own the RECs and makes public claims about using renewable energy.

Claim: "We use solar power."

DOUBLE CLAIM

Example 3



Keeps the RECs but a third party (such as a utility) makes a public claim about delivering the renewable energy to other customers, such as through a renewable portfolio standard. **Utility Claim:** "All solar installations in our territory contribute to our state requirements to deliver renewable energy to consumers."

DOUBLE CLAIM

Example 4



Does not own the RECs but makes clear, accurate, and prominent statements about who owns the RECs. **Claim:** "We host a solar PV system, and sell the renewable energy to other parties."

REC Best Practices

- 1. Be clear in your contracts and power purchase agreements: who owns the RECs? Be specific and accurate about REC ownership and renewable energy claims
- 2. If you are making a claim about using renewable energy, make sure you own and retire the RECs
- 3. Use electronic REC tracking systems if possible
- 4. Educate owners of solar panels about what types of claims they can make, whether they are keeping the RECs or selling them to another party
- 5. If you don't own the RECs, don't make public claims about using renewable energy
- 6. Get your sales and/or claims independently certified



