

Green Energy Certificates Frequently Asked Questions

1. **What is renewable energy?**

The term “renewable energy” means energy derived from sunlight, wind, falling water, sustainable biomass, energy from waste, wave motion, tides, and geothermal power and does not include energy derived from coal, oil, natural gas or nuclear power.

2. **What is a renewable energy certificate?**

A renewable energy certificate represents one megawatt-hour (equal to 1,000 kilowatt-hours) of renewable electricity generated and delivered somewhere on the power grid. REC buys these in large quantities and then makes Green Energy Certificates (GEC) available in smaller, more affordable quantities (100 kWh blocks). There is no markup on the Green Energy Certificates. They are sold at cost.

By purchasing GECs you are playing a significant role in making renewable energy an economically viable option. More importantly, the purchase of Green Energy Certificates helps reduce the need for traditionally generated electricity and helps protect your environment for future generations to come.

3. **How do the green energy plants use the money from our certificate purchases?**

Currently, generating renewable electricity is more expensive than using fossil fuels. This makes it difficult for renewable generators to compete and be financially successful. The sale of Green Energy Certificates provides additional income for owners of renewable energy facilities, making such operations more economically viable and encouraging the development of additional renewable generation.

4. **How much would it cost to actually purchase green energy instead of certificates?**

Green energy isn't readily available in Virginia because renewable resources for generating electricity are limited. In places where renewable energy is commercially available, it generally sells for 10 – 40 % more than traditionally generated electricity.

5. **Is REC investing in green plants?**
Yes, through Old Dominion Electric Cooperative (ODEC), our wholesale power supplier. ODEC is contracting to purchase electricity from wind energy facilities to be developed along the Atlantic coast. ODEC is also exploring options for increased use of biomass fuels. However, renewable energy is still not available in significant quantities in Virginia.
6. **What is the source of the Cooperative's Green Energy Certificates?**
Specific information about Green Energy Certificates offered by the Co-op, including the source, type, and location, will be posted on www.myrec.coop. This information will change as green energy certificates are used and replaced by additional purchases.
7. **Are the Cooperative's Green Energy Certificates available for sale to the public?**
No, this service is available to our Cooperative members only. Several other providers of similar services can be found on the Internet.
8. **Will this Green Energy Certificate program have any effect on the rates REC charges its members for electricity?**
No, Green Energy Certificates will have no effect on any component of REC rates including the fuel factor.
9. **Is the purchase of Green Energy Certificates tax deductible?**
REC is not aware of any tax benefits associated with the purchase of Green Energy Certificates.
10. **Is the cost fixed?**
Members may choose to purchase a set number of certificates each month for a twelve-month period. The price will be the same each month for that one year purchase commitment.
11. **How do I know how many certificates to purchase?**
Some members might want to make a one-year commitment equal to their own electric usage. To do this, use an average of your last twelve month's usage. On your current REC bill, locate the Usage History box. Simply add the kilowatt (kWh) hours shown for the previous 12 months and divide by 12. This is your average usage. Round this average to the nearest 100 to determine how many certificates to purchase each month. If you need help in calculating your average usage, contact REC by phone or e-mail or visit one of our 3 offices and a Customer Service Representative will assist you. Again, using an average is just one way to decide how many certificates to purchase. You may purchase more or fewer certificates.