

# UNDERSTANDING RECS

## **Your solar electric system benefits all of us.**

The best thing about a solar electric system isn't what it does produce, but what it doesn't produce. When your solar electric system generates electricity, you are offsetting power that might otherwise be generated by burning fossil fuels, which can create carbon dioxide and other pollutants.

## **What are Renewable Energy Certificates (RECs)?**

Renewable Energy Certificates, also known as green tags, are commodities that represent the environmental attributes and benefits associated with electricity generated from renewable resources like solar. RECs are separate from the electricity generated and may be separately traded to businesses and utilities who want to purchase/support renewable energy.

## **Who owns the RECs produced by my solar electric system?**

As a participant in Energy Trust of Oregon's solar electric incentive program, you own the RECs associated with the electricity your system produces for the first five years of the system's life. Energy Trust will own the RECs for 15 years after that. The portion of RECs claimed by Energy Trust reflects the investment that has been made in your new solar system on behalf of the Oregon ratepayers of Portland General Electric and Pacific Power. After these 15 years, the RECs return to the owner.

You may sell the RECs associated with your electricity generation during the period of time that you own those RECs; however, you may not sell them during the time period when Energy Trust owns them.

## **What does Energy Trust do with the RECs that it owns?**

Energy Trust generally holds the RECs it owns in trust for the ratepayers, although it also has the option to sell a portion of them and reinvest the revenue in new renewable energy projects.

## **Will someone buy my RECs?**

The market for RECs is constantly changing and the availability of buyers is not guaranteed. Currently, Energy Trust knows of no organization that is purchasing RECs.

## **Does Energy Trust buy RECs?**

Energy Trust does not purchase RECs. Our role in this area is simply to help people understand the nature of these commodities.

## **What happens to my RECs if I sell my home or business?**

Your agreement with Energy Trust stipulates that you will leave your system on your home or business if you move. The new owner will own the solar electric system along with any RECs generated during the remaining part of your RECs ownership period. Any contract you have to sell your RECs should be assigned to the new business or homeowner.

For general information on RECs, visit the Green-e program which provides certification and verification services for RECs and is administered by the Center for Resource Solutions at [www.green-e.org](http://www.green-e.org).

