MRES® Municipal Power
LEARNING ACADEMY

# Renewable Energy Certificates (RECs) & Bright Energy Choices


**Andrew Johnson**

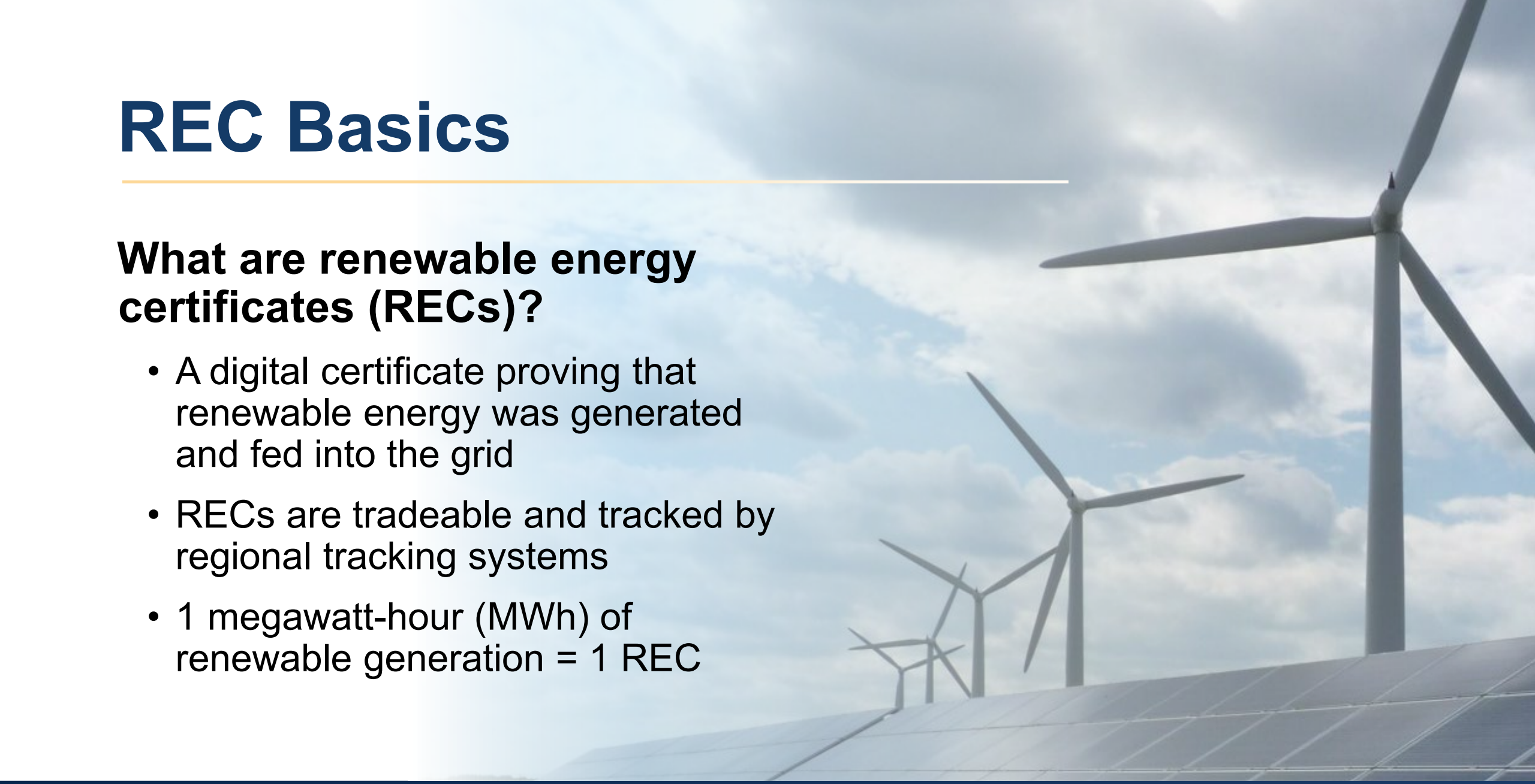
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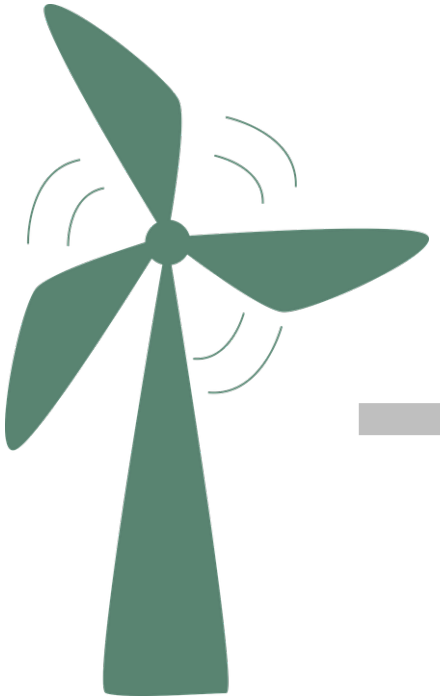
# REC Basics

## What are renewable energy certificates (RECs)?

- A digital certificate proving that renewable energy was generated and fed into the grid
- RECs are tradeable and tracked by regional tracking systems
- 1 megawatt-hour (MWh) of renewable generation = 1 REC



# How a REC is Made



1 MW Wind




Generating for 24 hours at 100%

Produces

24 Megawatt Hours (MWh) of Energy

24 RECs

# Separating RECs from Energy

**RECs represent "environmental attributes," but not the energy itself.**

- RECs are purchased and sold on the REC market
- Only REC retirements allow customers to make renewable claims
- REC "retirements" can satisfy renewable requirements and goals



# Why retire RECs?

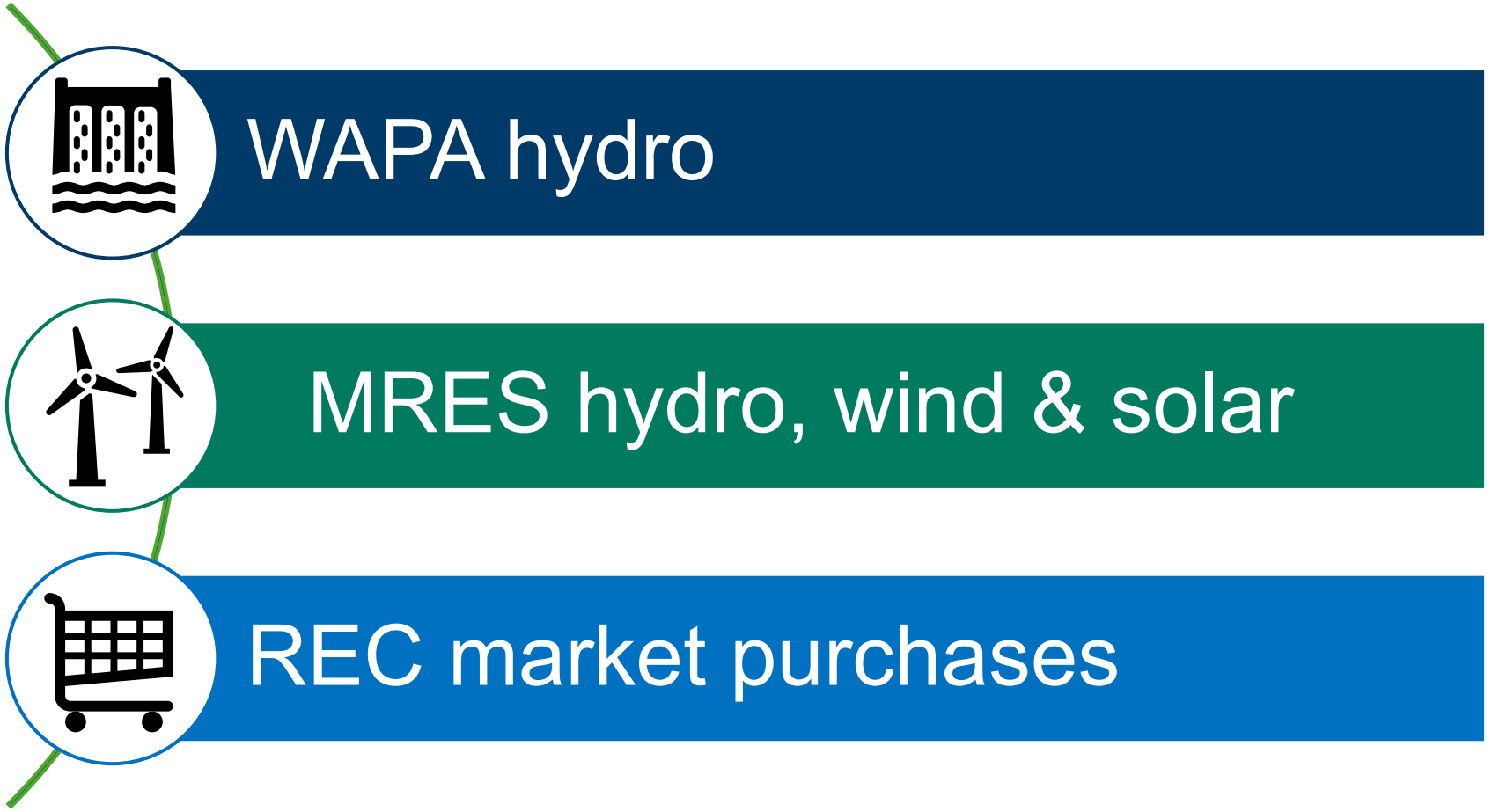
**Voluntary purposes:**

- Bright Energy Choices green energy program

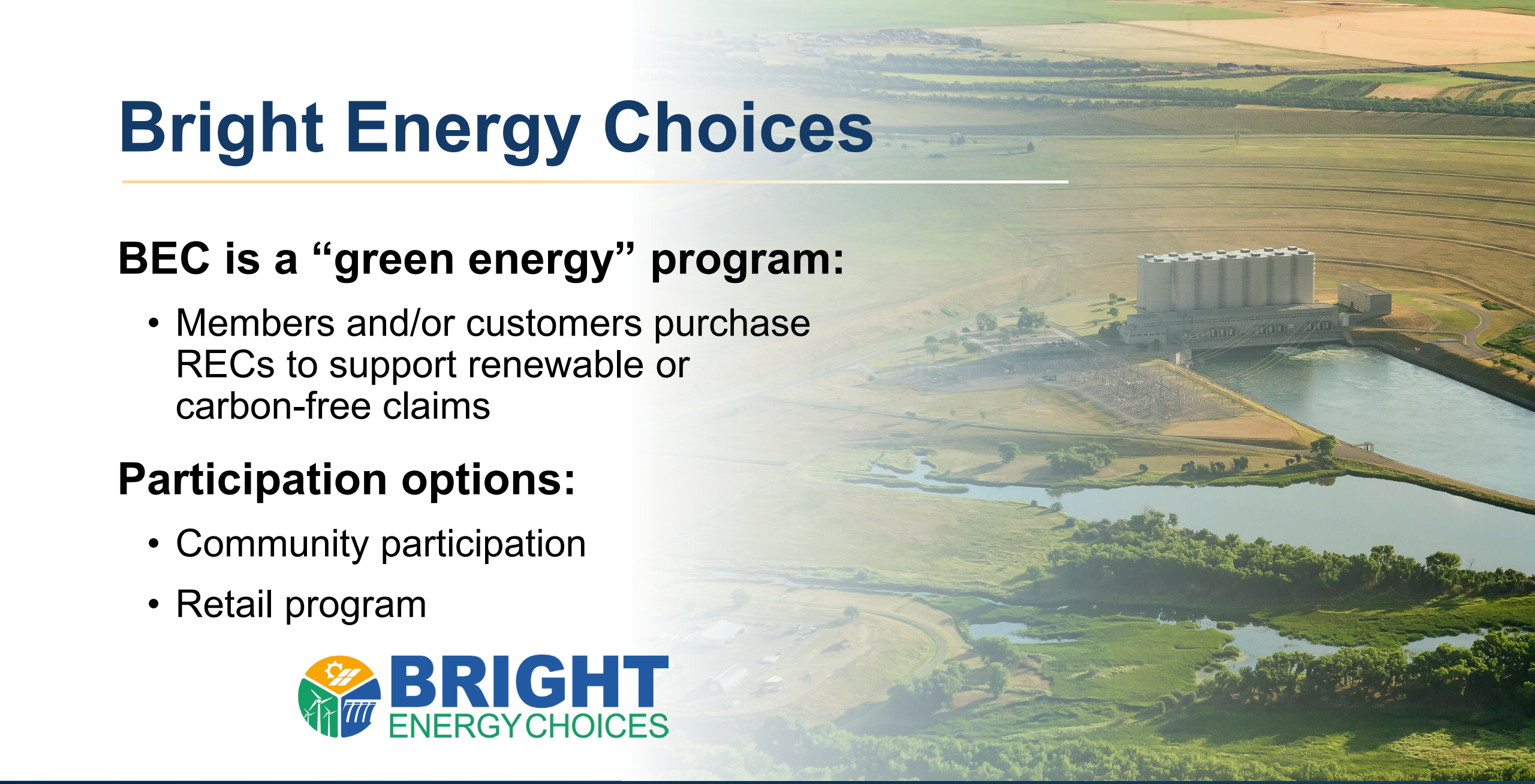
**Regulatory Compliance:**

- MN Renewable Energy Standard (RES) – 25% in 2025, 55% by 2035
- MN Carbon-Free Standard (CFS) – 60% by 2030, 90% by 2035 and 100% by 2040
- SD Renewable Energy Objective (REO) – 10%, voluntary
- Iowa and North Dakota have no requirement for munis or co-ops
- **Only REC retirements satisfy compliance obligations**

# Where do MRES & Members get RECs?



# Bright Energy Choices



## BEC is a “green energy” program:

- Members and/or customers purchase RECs to support renewable or carbon-free claims

## Participation options:

- Community participation
- Retail program

BRIGHT ENERGY CHOICES

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# Questions?


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