



# Energy

## Appendix C: Green-e Energy Certification Fee Structure

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Green-e Energy charges an annual fee for certification of renewable energy products. Payment received for the first year of certification applies to the period from the date of signature of the Green-e Energy Certification and Logo Use Agreement through December 31 of that first year. Payment for each subsequent year of certification will be due January 1 of that year.

In order for certification to begin, two completed copies of the Green-e Energy Certification and Logo Use Agreement and a completed Green-e Energy Certification Application must be submitted to CRS. Once these application materials are received and reviewed, CRS will invoice the applicant for the first year's fees.

### 1.) Renewable Energy Certificate (REC) and Competitive Electricity Products

Renewable Energy Certificate (REC) and Competitive Electricity Product certification has an annual base fee plus a volumetric fee as described below. Each vendor is given a discount on additional product certifications. This structure makes the certification fees sensitive to market size and maintains low incremental fees for additional certified products. The structure is intended to be equitable and fair for both new entrants and veteran vendors with small, medium, and high volumes of renewable energy sales.

#### ***Primary Product Base Fee***

The fee for the first product certified is \$4,500 per year. The first product fee applies to the first product certified regardless of the type of product or the region.

#### ***Additional Product Base Fee<sup>1</sup>***

The fee for each additional product certified is \$3,500 per year plus appropriate volumetric fees. The additional product rate applies to each additional product certified regardless of the product type or the region.

#### ***Local, Limited Scope Non-Profit Base Fee***

Organizations that meet the following criteria are eligible for a discounted base fee for certification. The fee for local, non-profit organizations is \$1,000 per year plus the appropriate volumetric fees.

All of the following criteria must be met in order to qualify for the local, non-profit base fee:

1. The entity seeking certification must be a registered 501 (c) (3) not-for-profit organization.
2. All product sales must be to customers in the same state as the non-profit.
3. 100% of the supply of the product must be Green-e Energy Certified RECs from a single supplier.
4. Sales must be less than 1,000 transactions or 500 MWh annually. If an organization in this certification category exceeds these limits, the participant will need to pay full regular Green-e Energy certification fees in subsequent years.

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<sup>1</sup> There is no additional charge for a product offered in multiple percentages of the same resource mix and proportions. For example, one company offering both a 100% renewable product (60% Wind, 38% biomass, 2% solar) and a 50% renewable product (30% wind, 19% biomass and 1% solar) comprised of the same proportion of resources would only pay one fee.

### **Utility REC Product Base Fee**

If a utility that is already offering a Green-e Energy Certified green pricing product is interested in offering a renewable energy certificate (REC) product as an additional product, the utility will pay the sliding scale additional product fee outlined in the table in section two below, plus, after two years of certification of the REC product, the utility will pay the Volumetric Rate outlined below for REC sales only. If the utility is not offering a Green-e Energy Certified green pricing product, the utility will pay the Primary Product Base Fee of \$4,500 described above plus the Volumetric Rate described below.

### **REC Broker Base Fee**

The base fee for REC Broker Certification is \$4,500 plus the retail volumetric fees described below. Allowable REC transaction types are outlined under "Definition of REC Products" below.

### **Volumetric Rate Based on Verified Sales Volume**

Green-e Energy fees scale with the volume of certified sales made by each participant. In addition to the base fee described above, a volumetric component of total fees is assessed annually to each company, and is calculated based on aggregate verified volume of Green-e Energy Certified sales made two years prior. Certified products are assessed volumetric fees beginning the calendar year after their second verification year.

- Wholesale Volumetric Fees:
  - From 1 – 250,000 MWh the charge is \$0.03 per MWh.
  - From 250,001 – 1,000,000 MWh the charge is \$0.0025 per MWh.
  - Above 1,000,000 MWh the charge is \$0.0005 per MWh.
  
- Retail Volumetric Fees:
  - From 1 – 250,000 MWh the charge is \$0.03 per MWh.
  - Above 250,000 MWh the charge is \$0.011 per MWh.

For example, a Green-e Energy participant with 300,000 MWh of retail sales in 2009 would be invoiced in 2011 for their base fee plus a volumetric fee of \$8,050 ((250,000 x \$0.03) + (50,000 x \$0.01)).

### **Definition of Regional Competitive Electricity Products**

Two categories of contracts exist for regional competitive electricity products: Single Mix and Multiple Mix. A separate contract and fee is required for each certified electricity product. A product is defined by its resource mix (e.g. 60% wind, 38% biomass, 2% solar), generation location for its resources, and the geographic area in which it is sold.

1. Regional Electricity Single Mix Contract (Residential, Non-Residential and/or Wholesale): This category covers certification of one unique retail product mix to residential, commercial, and/or wholesale customers. The same unique product mix made up of eligible resources may be offered across multiple states, regions or service territories as long as the same resources and facilities are used and the product meets all geographic eligibility criteria outlined below.
  
2. Regional Electricity Multiple Mix Contract (100 Non-Residential and/or Wholesale Mixes): This category covers certification of up to 100 unique mixes of eligible resources offered to commercial and/or wholesale customers only. Each mix can be used for an unlimited number of non-residential sales. Resources can be sourced from facilities across multiple states, regions or service territories as long as each individual mix meets the geographic eligibility criteria outlined below. It the responsibility of the marketer to ensure that each transaction meets the criteria below. Green-e Energy will verify all transactions during its annual verification, which takes place the year after the sale. If it is determined through the verification process that a mix does not meet the geographic eligibility criteria below, it will be the responsibility of the marketer to take corrective action to bring this transaction into compliance with the Green-e Energy National Standard.

A Green-e Energy Certified competitive electricity product can be comprised of Renewable Energy Certificates (RECs) combined with nonrenewable power. In this case, the RECs must meet the geographic eligibility requirements outlined below.

For all electricity products, (i.e. products used to meet a customer's electricity needs) including those listed above, the provider must 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 Council (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 where the electricity, bundled with a REC, is wheeled into the respective region of the customer being served.

**Definition of REC Products**

REC certification categories are as follows:

- 1. REC Single Mix Product (Residential, Non-Residential, and Wholesale): The base fee covers certification of one unique retail REC product mix consisting of eligible resources sold to residential and/or commercial customers.
- 2. REC Multiple Mix Product (100 Non-Residential Mixes and/or Wholesale): The base fee covers certification of up to 100 retail REC mixes of eligible resources offered to commercial customers only.

In addition, there is a third category, for REC Brokers:

- 3. REC Broker Certification (Unlimited Transaction Mixes): The base fee covers certification of transactions brokered between two parties (generator selling to REC seller; REC seller to end use customer, or REC seller to another REC seller). A Broker is distinguished from a marketer in that a Broker never takes ownership of the RECs it transacts, while a marketer buys and sells RECs.

**Wholesale Products**

All of the above product categories include a license to offer Green-e Energy Certified wholesale supply consisting of eligible renewable resources. There is no additional base fee charged to offer wholesale certified supply. Wholesale volumetric charges apply as described above. If the company's only certified product is wholesale, the base fee is \$4,000 and any volumetric charges apply.

**2.) Utility Green Pricing Products**

Accreditation of utility green pricing programs is available nationwide for renewable energy products that are offered in regulated markets and meet Green-e Energy program requirements. The annual accreditation fee schedule for utility green pricing products is on a sliding scale based on total number of customers served. For utilities purchasing Green-e Energy Certified wholesale RECs or electricity, there is an additional discount of 25%.

Total Number of Meters Served	First Product	With Green-e Energy Wholesale	Each Additional Product
50,000 or less	\$1,100.00	\$825.00	\$220.00
50,000 – 100,000	\$2,200.00	\$1,650.00	\$440.00
100,000 – 200,000	\$4,500.00	\$3,375.00	\$900.00

200,000 – 400,000	\$9,000.00	\$6,750.00	\$1,800.00
Over 400,000	\$13,500.00	\$10,125.00	\$2,700.00

Green-e Energy allows Hub & Spoke green pricing programs (those with one supplier serving the same product to multiple member utilities) to qualify under a single product certification. Please see the Green-e Energy National Standard ([http://www.green-e.org/getcert\\_re\\_stan.shtml](http://www.green-e.org/getcert_re_stan.shtml)) or contact Green-e Energy staff for qualification details.

### 3.) Prorating of First Year's Certification Fee

For new certifications beginning on or after September 1 of the application year, applicant's fees will be prorated as follows:

- Applicant will be invoiced the full applicable base fee in the first year.
- When invoiced for the second year (which begins on January 1 of the year following the year in which applicant originally joined), applicant will be invoiced for 75% of the full applicable certification fee.
- For the third and subsequent years, applicant will be invoiced for the full base fee, plus any applicable volumetric fees (described above).

For new certifications beginning prior to September 1, fees will not be prorated. Applicants will be invoiced the full applicable certification fee, plus any applicable volumetric fees (described above), for the first and all subsequent years.