**What are Renewable Energy Credits (REC)s and how do they work?**

Electricity enters the grid from many different sources, like wind, solar or natural gas. There is no way to know exactly what energy source your electricity comes from. To solve this problem, you can purchase RECs that transfer the renewable aspects of renewable energy to you. In other words, RECs represent renewable energy that is being generated on your behalf.

Customers who choose to participate in our Green Power program will receive the benefit of RECs. If your elected participation is less than 15,000 kWh per month, we will retire or use the RECs on your behalf. If you use more than 15,000 kWh per month, you can choose to have the RECs transferred to you or have us retire them for you.

Each month, we deposit all RECs generated by Green-e certified facilities into our WREGIS account. Once a year in April, we will:

1. Transfer the previous year’s RECs from our WREGIS account to customer WREGIS accounts (for those who use more than 15,000 kWh per month).

2. Retire applicable RECs for contract customers who choose not to register with WREGIS or whose elected participation is less than 15,000 kWh per month.

3. Once transferred, customers with WREGIS accounts who choose to retire their RECs themselves may do so by moving them from their active account to their retirement account.

**TERMS TO KNOW**

**Renewable Energy Credit (REC)** - a certificate or credit that represents the clean energy generated by renewable sources. Each REC represents 1,000 kWh of electricity.

**Green Power program** - voluntary program where customers designate a portion or all of their monthly electric use to be generated by renewable energy.

**Retire a REC** - retirement means that the REC has been used and can no longer be sold.

**Western Renewable Energy Generation Information System (WREGIS)** - WREGIS is like a bank where we deposit RECs. Customers with Green Power contracts for more than 15,000 kWh per month can open a WREGIS account that acts as a reserve account.

**Green-e** - Renewable energy that meets the highest standards in North America is certified as Green-e by the Center for Resource Solutions (CRS). The CRS verifies the chain of custody, from generation to retirement, to ensure customers get exactly what they pay for.

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