

# Guidelines for Quantifying the Carbon Emissions Benefits of Green-e Energy Certified Products

Participants in Green-e Energy have the opportunity to help make environmental claims from renewable energy use by households and businesses more accurate and consistent. In 2015, Green-e Energy clarified its guidance about how to calculate carbon emissions benefits from renewable energy use. This document is intended as a guide to resources that can help participants advise their customers on defensible carbon claims and comply with Green-e marketing compliance rules. Familiarity with these resources will help ensure a common framework to ensure public claims about renewable energy use are accurate and consistent.

# 1. Before making emissions statements, review the Green-e Energy Code of Conduct and other relevant documents

The Green-e Energy Code of Conduct and other documents provide information about marketing statements sellers can make and what documents to use to help guide your clients in statements they may be making.

- Green-e Code of Conduct and Customer Disclosure Requirements (CRS)
- 2015 Green-e Energy Residual Mix Emissions Rates (CRS)
- Green-e Energy Summary of WRI Scope 2 Guidance (CRS, relevant to your clients)
- GHG Protocol Scope 2 Guidance (World Resources Institute)
- Guidelines for Renewable Energy Claims: Guidance for Consumers and Electricity Providers (CRS)
- Scope 2 Greenhouse Gas Accounting for U.S. Renewable Energy (CRS)

#### 2. Make clear, easy-to-understand statements about avoided grid emissions

- Provide examples. Statements must describe the emissions that would have occurred if the renewable electricity was not generated, for example:
  - "The generation of the renewable energy you're choosing instead of your regular electric service has a greenhouse gas benefit equivalent to..." (e.g. taking X # of cars off the road for one year or recycling X # of aluminum cans).
  - "The 100% renewable electricity that you're choosing instead of your regular electric service has a greenhouse gas benefit equivalent to..."
  - "Compared to your regular electric service, choosing 100% renewable energy means using electricity that has a greenhouse gas benefit equivalent to..."

"[Participant company's] 100% renewable energy product has a greenhouse benefit equivalent to... if you purchase X MWh annually."

- Do not suggest that emissions changes result from the purchase of the certified product
- Accurately calculate the non-baseload output emissions rate for your products using this guidance:
  - 1. The maximum conversion factor that Green-e Energy permits for use in carbon-related equivalency claims is based on the non-baseload output emission rate of electricity generation in the NERC region in which the renewable MWh was generated.
  - In cases where a participant does not provide geographical disclosures for certified renewable
    energy certificate (REC) products to consumers, the maximum rate that may be used is the nonbaseload output emission rate of electricity generation in the NERC region with the lowest such
    rate at the time the equivalency factor was first published (available from the EPA's eGRID
    database).

#### 3. Consult WRI guidance before providing Scope 2 accounting guidance

Participants in Green-e Energy may want to educate their customers and other stakeholders about the benefits of purchasing Green-e Energy certified products with respect to Scope 2 greenhouse gas (GHG) emissions (greenhouse gas emissions from purchased, offsite electricity). These resources from the World Resources Institute (WRI) can help residential and business customers describe how they can use renewable energy products to reduce their Scope 2 emissions:

- GHG Protocol Scope 2 Guidance: Executive Summary (WRI)
- Scope 2 Guidance case studies (GHG Protocol, see EDF Energy example [pp. 10–11)]

### 4. Use Green-e pre-approved statements when marketing Green-e certified products

The following statements may be used to describe the environmental impact of the retail electricity user's renewable energy emissions (their Scope 2 emissions), and are related to the emissions that the user would have been responsible for if they used system power instead of purchasing renewables (emphasis not required):

"Generation of [the Green-e Energy certified product] did not cause **direct** greenhouse gas emissions."

"By purchasing [the Green-e Energy certified product] you are able to report zero **Scope 2** emissions."

"By purchasing [the Green-e Energy certified product] you are reducing **your** greenhouse gas footprint compared to your regular electricity service."

"By purchasing [the Green-e Energy certified product] you are reducing **your** greenhouse gas footprint compared to your electricity use before your renewable energy purchase."

## 5. Maximize the value of residual mix information on Product Content Labels (PCLs)

Participants in Green-e Energy are required to provide information about the alternative fuel mix in their product content label. This requirement is intended to demonstrate to potential customers the difference between what they would otherwise be receiving and the product being marketed.

If you are considering supplementing this information or otherwise marketing alternative GHG emissions or an alternative emissions factor, the calculation must be based on the residual mix emissions rate for the NERC region in which the electricity consumer resides, in order to be consistent with the World Resources Institute's (WRI's) Greenhouse Gas Protocol. Green-e Energy publishes guidelines on residual mix figures annually at Green-e Energy National Standard and Governing Documents, which participants can use.

# 6. Avoid making "carbon neutral" claims

CRS does not support or endorse claims of carbon neutrality as they are highly likely to be misleading and extremely difficult to substantiate. Carbon-neutral claims may not be made about or in relation to Green-e Energy certified products, and therefore cannot be present on Product Content Labels, Price, Terms & Conditions, or other marketing materials for the certified product.

If a claim of carbon neutrality is made about a non-certified product and the statement is in close proximity (on the same Web page or promotion) to a mention of a Green-e Energy certified product, the Green-e participant is required to add clarifying language beside, under, or above the carbon-neutral claim stating, "Green-e Energy does not verify this claim."

If you have any questions about these guidelines, please contact your Green-e representative or call 415-561-2100.