

Carbon Offset FAQ's

What is a REC?

“RECs represent the environmental and other non-power attributes of renewable electricity generation and are a component of all renewable electricity products. RECs are measured in single megawatt-hour increments and are created at the point of electric generation.” (1)

How are REC's tracked?

RPU utilizes the Mid-West Renewable energy tracking system (MRETS) to track renewable energy credits. Currently used by Illinois, Iowa, Manitoba, Minnesota, Montana, North Dakota, South Dakota, and Wisconsin

What is the Minnesota Renewable Standard?

Minnesota § 216B.1691, mandates electric utilities generate 25% of load from renewable sources by 2025 with set targets in between now and 2025. 1% in 2008 & 2009, 7% in 2010 & 2011, 12% in 2012-2015, 17% in 2016-2019, 20% in 2020-2024, and 25% in 2025. The state charged the Public Utilities Commission with setting up the mechanisms (tracking, allowable resources, life of credits, and retirement schedules)

Where do REC's come from?

The majority of RPU's REC's are from Lake Zumbro Hydro. However, any of the following sources meet the State's requirements: biofuels, biomass, fuel cells, hydro, wind, landfill gas, municipal waste, photovoltaic, and solar thermal electric.

Why does RPU track REC's?

RPU utilizes Mid-West Renewable energy tracking system (MRETS) to meet the Minnesota State Renewable Energy Standard as mandated by the RPU Board.

Why are there “extra” REC's available?

RPU purchases the majority of its energy from SMMPA Southern MN Municipal Agency. Currently, RPU is a little over 40% of SMMPA, as such a large portion of RPU's energy is covered by renewable energy generated by SMMPA.

What value does a REC have?

REC's are the renewable attribute associated a Megawatt hour of electricity. The cost of producing power with renewables is more than that of traditional fossil fuels. The REC is a means to place value to the social benefits of the generation source. By purchasing a REC, the holder can claim that their energy is offset by a green generation source.

Can anyone claim that their energy usage is from 100% renewable sources?

The only way is if the user is 100% off of the electric grid and all of its energy is produced onsite with renewable sources. Anyone connected to the grid is theoretically connected to every generator online at any given time. Most everyone making renewable claims are utilizing offsets. This gives everyone an equal chance to participate in renewable energy.

1. Retrieved on Jan 19th 2011 from http://www.epa.gov/greenpower/documents/gpp_basics-recs.pdf