



TIPS FOR PURCHASING RENEWABLE ENERGY

Many people are interested in powering their homes with renewable, or “green,” energy. Some alternative electricity suppliers actively promote offers door-to-door, through direct mail and online promotions that include renewable energy in some way. Before purchasing renewable power from an alternative electricity supplier promoting what sounds like an enticing offer, there are a few things you should know:

- **The electricity in your home includes all sources on the grid.** No alternative supplier can deliver to your home electricity that is generated exclusively from renewable sources.
- **Unless your home is one of very few that is connected to a renewable energy system like solar panels, wind turbines or a microgrid,** the electricity you use in your home is a mixture of all the energy that is put onto the electric grid, regardless of where your supplier purchases its electricity supply. The grid includes “green” energy as well as traditional energy sources like nuclear, coal, and natural gas. An alternative supplier may sell you renewable energy certificates (RECs) to signify renewable energy. See below.
- **Check prices.** Electricity service from alternative suppliers—whether from renewable sources or not—can cost more than service from your public utility. Compare any alternative offers to your utility’s price before signing up and find out whether the price you were offered is an introductory rate or a variable rate that will change over time. Be sure you understand what benefits a marketer of renewable energy can provide before enrolling.
- **Alternative suppliers are not affiliated with your utility or regulated.** No alternative supplier is affiliated with or endorsed by your utility or the government. If you sign up for service with an alternative supplier, you are entering into a new contract with that company even though the public utility will continue to deliver electricity to your home and handle billing and maintenance issues.

WHAT’S A REC?

For every unit of electricity generated from a renewable source like a wind turbine or solar panel, an equivalent number of renewable energy certificates (RECs) is produced. By purchasing and pairing RECs with your electricity service, you are supporting the generation of renewable electricity.

HOW DOES IT WORK?

A renewable energy supplier purchases electricity on your behalf and ensures that an equal amount of renewable energy is generated to match the amount of electricity that you use, either by purchasing the electricity directly from a wind or solar energy producer or by purchasing RECs.

KEEP IN MIND

For an alternative electric supplier to label its product as renewable energy, it has to purchase as many RECs as needed to equal the amount of energy you use in your home. It does not need to provide your home electricity that is generated exclusively from renewable sources.

