



ENERGY EFFICIENCY CREDITS

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WHAT ARE ENERGY EFFICIENCY CREDITS – EECs?

- Energy **not** used
- An incentive to undertake demand-side energy conservation projects
- A tradable unit used to demonstrate or satisfy compliance of the obligated parties in meeting mandated renewable goals
- Represent the environmental benefit of eliminating GHGE
- Represent the kilowatt hours saved through energy conservation
- One EEC = 1 MWh saved

ENERGY EFFICIENCY CREDITS AND RENEWABLE ENERGY CERTIFICATES – HOW DO THEY COMPARE?

- Both assist in elimination of Greenhouse Gas Emissions (GHGE)
- RECs create Renewable Energy Supply
- EECs reduced Demand for energy and assist in paying for energy efficiency projects

THE VALUE OF EECs

- Varies by State whether Compliance is Mandatory or Voluntary
- Mandated States - market rate; capped by the state's alternative compliance payment
- Voluntary States - market rate below mandated market rate; can be traded nationwide and possibly worldwide
- CT, PA, and NV have enacted RPS legislation creating the use of market based EECs. Five other states use various formats

WHY BUY ENERGY EFFICIENCY CREDITS?

- A more affordable way to meet mandated RPS requirements
- Attracts essential investment capital for energy efficiency projects not undertaken by the utilities
- Enable purchasers to meet GHGE goals
- A mechanism to demonstrate eligibility for other tax incentives, subsidies and carbon offsets

WHY SELL ENERGY EFFICIENCY CREDITS?

- EECs have value
- Improves project ROI – payback period
- Reduces capital exposure for energy efficiency projects with long paybacks

MEASUREMENT & VERIFICATION – M&V

- Depends on the type of efficiency implemented; deemed or metered
- Must be reconciled according to state's definition
- Existing software is available and can be employed
- On going verification required

CERTIFICATION

- Critical to the generation of EECs
- Create an open, transparent process
- Insures no duplication of credits

DO EECs HAVE RISK?

- The value is subject to market supply and demand driven by RPS legislation
- EECs do expire
- Future streams can be monetized up front

CONCLUSIONS

- Energy Efficiency Credits can be monetized
- The sale of EECs creates a financial means to pay for more green energy or more energy efficiency projects
- ROI's are significantly improved through the monetization of EECs

GREEN ENERGY CONSULTANTS LLC MAKES IT EASY

- GEC will Create, help Certify, and Trade your Energy Efficiency Credits
- Help identify best projects
- Follow through with the proper certifying and administrative agencies
- GEC will locate and negotiate best price available

NEXT STEPS

- Green Energy Consultants (GEC) will forward Draft Scope of Services
- Customer and GEC to Identify Sites with Greatest Potential
- Select 1-3 Sites for initial confirmation of EEC potential