



Proposed Revisions to Green Power Partnership Program Requirements

Background

The U.S. Environmental Protection Agency (EPA) established the Green Power Partnership as a voluntary program that encourages the use of green power. The Green Power Partnership provides a framework that includes credible usage benchmarks, market information, technical assistance, and public recognition to organizations that use green power.

Commercial, nonprofit, and public organizations can become Partners by using an amount of green power that is proportional to their annual baseline electricity use. In partnership, EPA provides access to a collaborative network to Partners, technical information, and public recognition for meeting EPA's minimum green power usage requirements.

Launched in 2001, the Green Power Partnership now has more than 1,400 Partners.

The Partnership's primary objectives are to:

- Expand awareness of green power by providing objective information and public recognition for those making it their choice to use green power supply;
- Increase demand for green power as a means to drive the development of new green power supply;
- Lower transaction costs for organizations interested in switching to green power;
- Make green power purchasing a part of "best practice" environmental management; and
- Reduce an organization's greenhouse gas emissions (Scope 2) footprint associated with conventional electricity use.

A Partner's commitment may be met through several different supply options ranging from unbundled renewable energy certificates, utility delivered supply or through direct project engagement with either onsite or offsite eligible projects. For more details about the Green Power Partnership, visit <http://www.epa.gov/greenpower>.

Since the Green Power Partnership was established, EPA has continually reviewed and updated the Partnership's program requirements. The clarifications and proposed updates in the following pages are intended to:

- Enhance program credibility by reflecting continual changes in the green power market;
- Support best practices and leadership in green power use;
- Strengthen program integrity and stakeholder relationships by making changes that are easy to communicate, understand and implement;

- Increase program cost-effectiveness by simplifying program administration; and,
- Enhance value to Partners that meet the program's minimum usage requirements.

EPA is seeking comments on these proposed changes. Please submit comments by Friday, November 6, 2017 to both:

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PROPOSED CHANGES TO GREEN POWER PARTNERSHIP REQUIREMENTS

The following proposals are additional to the program requirement changes that were proposed in October 2016 and recently finalized and implemented in September 2017.

The new proposed changes include:

1. Increasing the Minimum Percent Green Power Use Benchmark Requirements 4
2. Establishing a Minimum Electricity Use Requirement of 1,000,000 kWhs as a Condition of Partnership 6

1. Increasing the Minimum Percent Green Power Use Benchmark Requirements

The Green Power Partnership (GPP) requires that partners use green power in an amount that is proportional to their total electricity use within the chosen scope of their partnership footprint (i.e., facility up to organization-wide). The table below depicts both the current percent use requirements at each of the total electricity use benchmark levels, as well as proposed increases to the percent use requirements (outlined in red).

Table 1. Current and Proposed Minimum Green Power Use Requirements

Annual baseload electricity usage (kWh)	Current Minimum Green Power Use Requirements	Proposed Minimum Green Power Use Requirements
If a Partner’s annual electricity use in kilowatt-hours is ...	Currently Partners must, at a minimum, use this much green power:	Under proposal, Partners would have to, at a minimum, use this much green power:
≥ 100,000,001 kWh	3% of use	20% of use
10,000,001–100,000,000 kWh	5% of use	30% of use
1,000,001–10,000,000 kWh	10% of use	60% of use
≤ 1,000,000 kWh*	20% of use	100% of use

*This benchmark usage requirement would only be increased if the second proposed change to establish a minimum electricity use requirement is not implemented

The GPP has updated its minimum green power use requirements once since the inception of the Partnership. In response to these updates, Partners have generally responded by either increasing their total green power use or by reducing the scope of their partnership in order that their prior green power use continues to meet the minimum use requirements on a percentage basis.

EPA’s GPP specifies within its [Partnership Requirements](#) document that it “holds the right to reevaluate and update the Partnership requirements at any time” and that with respect to the minimum usage requirements “EPA will periodically review and update the minimum usage requirements to keep pace with the market and buyer patterns.”

Current organizational Partners would have a full year in which to make adjustments to their green power use in order to meet the proposed use requirements if implemented. New partners would be required to meet the new use requirements upon implementation.

The GPP seeks to establish Partner green power use requirements that maintain aggressive and credible Partner actions. The GPP staff reviewed and evaluated current levels of green power use among its nearly 1400 Partners based on end of year 2016 data. This analysis (summarized in Table 2 below) helped inform the proposed new minimum green power use requirements.

Table 2. The average and median use of green power across individual benchmark categories relative to current and proposed percentage green power use requirements:

Annual baseload electricity usage (kWh)	Current Minimum Green Power Use Requirement	Current Average Percentage Green Power Use	Current Median Percentage Green Power Use	Proposed Minimum Green Power Use Requirements
≥ 100,000,001 kWh	3% of use	42% of use	25% of use	20% of use
10,000,001–100,000,000 kWh	5% of use	56% of use	50% of use	30% of use
1,000,001–10,000,000 kWh	10% of use	75% of use	100% of use	60% of use
≤ 1,000,000 kWh	20% of use	111% of use	100% of use	100% of use

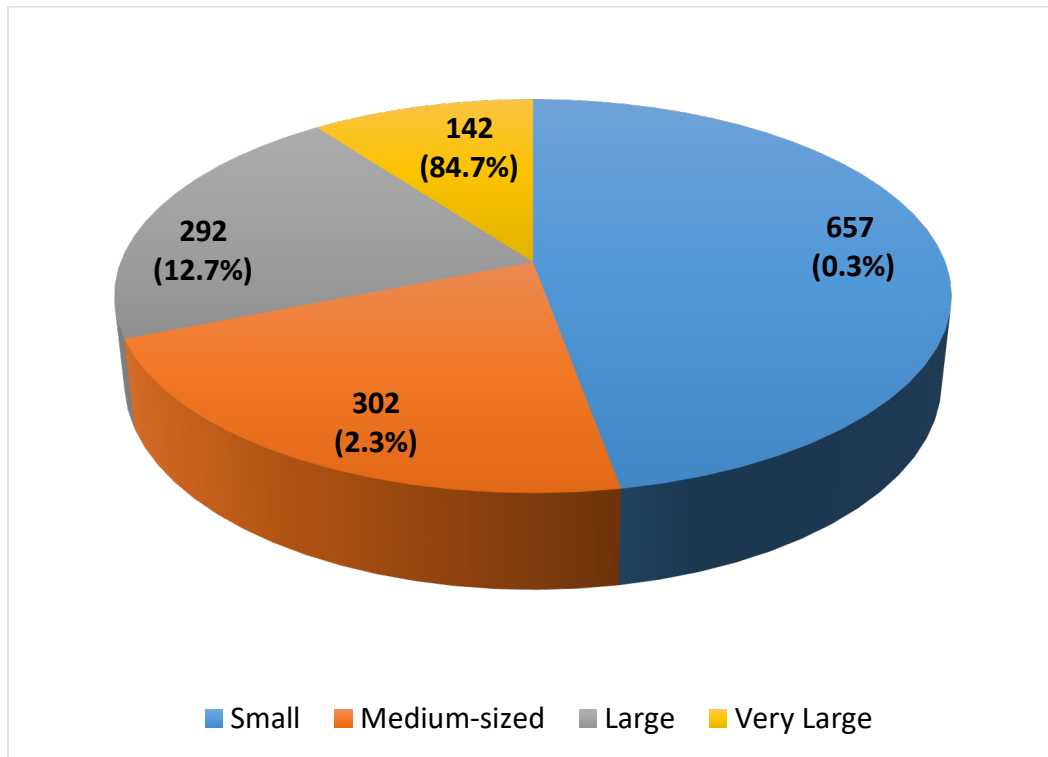
For example, this table indicates that for all Partners within the 3% benchmark the current average green power use of this group is 42% with the median using 25% green power.

The GPP is seeking feedback on the proposed changes to the minimum green power use requirement as outlined in Table 1 above on organizational Partners. In addition, the GPP is also seeking feedback on how these percent green power use increases would affect Green Power Community (GPC) campaigns and the local government organizations that lead them. The GPP welcomes stakeholder feedback on how the program can evolve to best leverage its limited resources towards meeting the goal of market transformation and in protecting the environment and human health.

2. Establishing a Minimum Electricity Use Requirement of 1,000,000 kWhs as a Condition of Partnership

Historically, the Green Power Partnership has accepted any organization that operates in the United States and uses green power which minimally meets the GPP's partnership requirements as a Partner. The program has grown in total number of partners to nearly 1,400.

Figure 1. Total Partners by Benchmark and the Benchmark's Percentage Share of Program's Green Power Use



* Based on year-end 2016 data

The GPP has over 650 Partners using less than 1,000,000 kWhs per year of electricity (smallest benchmark) and this number is expected to grow as the Partnership continues to grow. These smaller Partners represent the largest portion of the program's account management expenses, but a small share of the total green power used annually (0.3%). These Partners are disproportionately more expensive to manage due to limited human and financial resources to maintain green power use and report over the long-term as well as the relatively high turnover of small organizations and their staff in handling partnership responsibilities. EPA is proposing to establish a minimum electricity use requirement to limit the program to Partners with annual electric loads of 1,000,000 kWh or more in order to better utilize its limited resources to maximize the program's desired effect of increasing demand for green power at a scale that spurs a transformation of the US electricity sector.

Existing Partners would have a year in which to come into compliance with these proposed requirements if implemented. New partners would have to comply immediately if implemented. Small organizations would continue to be able to take advantage of the Program's online resources, guidance and also participate through the Partnership's Green Power Community initiative.

The GPP is seeking comment on this proposed change to implement a minimum electricity use requirement on organizational Partners. In addition, the GPP is also seeking feedback on how these percent green power use increases would affect Green Power Community (GPC) campaigns and the local government organizations that lead them. The GPP welcomes stakeholder feedback on how the program can evolve to best leverage its limited resources towards meeting the goal of market transformation and in protecting the environment and human health.