

# **Typical Questions Asked By Clients**

- What is a REC?**
- What is a REC Worth?**
- How Do I Get Paid?**
- When Do I Get Paid?**
- What Is a REC Meter?**
- Who Are You?**
- Why Do I Need A Monitor?**
- What Is This PSA?**
- What Are Your Fees?**
- How Often Do I Report?**

## REC Info

Presented by:  
Energy Audits Unlimited  
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# What Is A REC?

Renewable Energy Certificates (RECs) are created from every Megawatt-hour of electricity produced by a solar generator. A 10 kW system produces about 12 REC's a year. RECs are sold separately from electricity and are created regardless whether the electricity is used on site or sold elsewhere

# **What is a REC Worth?**

RECs recently sold for about \$15 each

# How Do I Get Paid?

Since individual solar owners do not produce enough RECs to sell directly to buyers, an intermediary must exist. A broker is the link that connects buyers and sellers. The broker is paid a commission on the sale of the RECs

Aggregate pools of smaller producers create visibility for them at the auction where the utilities have to buy RECs

The independent monitor (**IM**) uploads the RECs to the national database of RECs. IM's DO NOT sell the RECs

# How Do I Get Paid?

Here is a quick overview of the process:

1. The array is installed
2. The owner finds a broker and signs up with that firm
3. (IN NH) The owner requires an Independent Monitor (IM) of the RECs and finds and signs up with that firm
4. The owner reports production from the array
5. The IM verifies and uploads the RECs to the national database
6. The broker sells the RECs and sends the proceeds to the owner

# When Do I Get Paid?

Electricity suppliers must buy RECs to meet the RPS (Renewable Portfolio Standard) requirement adopted by many states. There is no floor or ceiling to the pricing of the RECs, it is a supply and demand market where the supply is filled by the generators and the demand is set by the State

Most brokers sells RECs on a **Quarterly Basis**. Once the first check comes, there will be a check every quarter following, **IF YOU REPORT**

**When Do I Get Paid?**

**IF YOU REPORT**

# When Do I Get Paid?

## The process is NOT instantaneous

1. The states have their own processes to validate the site as suitable for generating RECs. This is usually the hang-up, but getting better

Then,

2. the national database, NEPOOL-GIS, has to establish its own “NONxxxxx” as the **Site ID**

This **GIS NONxxxxx** number is the one that Independent Monitors report RECs for



# When Do I Get Paid?

The rule, at the national level, states that any REC created in any one quarter must sit, **untouched**, for the entirety of the following quarter.

Example: A **Q1** REC (Jan-Mar) will sit on the auction block until the end of **Q2**, plus two weeks.

<b><u>Q1</u></b> RECs (Jan-Mar) _____ are sold on	<b><u>July 15</u></b>
<b><u>Q2</u></b> RECs (Apr- Jun) _____ are sold on	<b><u>Oct 15</u></b>
<b><u>Q3</u></b> RECs (Jul- Sep) _____ are sold on	<b><u>Jan 15</u></b> (of the following year)
<b><u>Q4</u></b> RECs (Oct-Dec) _____ are sold on	<b><u>Apr 15</u></b>

# How do I put my production into the system?

The production is tracked by MONTHLY reports of the **REC METER** display into the broker's or IM's website

**OR**

From the monthly reports of your web-based software program which emails you the production automatically and which you then report into the broker's or IM's website

# **What Is a REC Meter?**

The REC meter is NOT the utility's NET meter

Most of the time it is in basement, but it could be outside, too

**You have to understand the need to report using the  
process put in place by your broker or IM**

**We can't get you credit for what we don't know**

# What Is a REC Meter?



LOOK FOR A LABEL LIKE THIS  
IT COULD SAY SOMETHING  
DIFFERENT LIKE:  
SOLAR PRODUCTION METER  
or AC PRODUCTION METER

OR

It could be from a web-based  
Reporting Software application.

Read the email or report that you  
get and report those numbers to  
Knollwood.

# Who Are You?

I am an Independent Monitor, certified by the NH Public Utilities Commission

**I DO NOT SELL YOUR RECs** I only report them

Email is my preferred method because the reports and contracts have created/modified date in the metadata of the file

**[pbutton@energy-audits-unltd.com](mailto:pbutton@energy-audits-unltd.com)**

This is preferred for audit trail purposes


# **Why Do I Need A Monitor?**

The State of New Hampshire requires (**RSA:362**) that you have a Third Party Independent Monitor / Verifier to submit your production figures

I verify and confirm your production and then record and report that production to NEPOOL-GIS and the NH PUC

**I do not sell the RECs, your broker does**

# What Is This PSA?

 85 Yvette St  
Manchester, NH 03102  
C: 603-836-4402

**A PROFESSIONAL SERVICES AGREEMENT BETWEEN:**  
**ENERGY AUDITS UNLIMITED, LLC (EAU)**  
AND:

NAME: \_\_\_\_\_ (CLIENT)

ARRAY ADDRESS: \_\_\_\_\_

PO ADDRESS (if different): \_\_\_\_\_

CITY/TOWN & ZIP: \_\_\_\_\_

EMAIL: \_\_\_\_\_

Client Phone: \_\_\_\_\_

PV ARRAY SIZE (KW): \_\_\_\_\_

INITIAL METER READING: \_\_\_\_\_ FROM SOLAR METER

are in agreement that EAU shall be the Independent Monitor and REC verifier for the CLIENT.

**1.0 Scope of Services**  
EAU will provide the NHPUC (New Hampshire Public Utilities Commission), NEPOOL-GIS (New England Power Pool-Generation Information Systems) and all organizations associated with the REC (Renewable Energy Credit) generation and reporting on behalf of the CLIENT, in accordance with the regulations and statutes of the State of NH (RSA-362); per NHPUC Rule 2500.

**2.0 Compensation**  
EAU shall be compensated at a rate of: **USD \$50 Annual**  
Compensation for these services is the sole responsibility of the CLIENT, at all times.

**3.0 Termination**  
Either party may terminate this contract, in writing (email), within 30 days of the start of a new reporting quarter. In doing so, all payments and reporting must be executed by the end of that reporting quarter.  
EAU reserves the right to terminate this contract without notice for non-payment of an outstanding balance.

CLIENT Signature: \_\_\_\_\_ DATE: \_\_\_\_\_

EAU Signature: *Paul L. Butler* DATE: **2017 - 2018**

It is a Professional Services Agreement telling you what I will do

And how much my Annual fee is

# **What Are Your Fees?**

My **ANNUAL** Fee is a flat fee, approved by the NHPUC

The **smallest** system that makes sense is a **5 kW** array

While 100 kW is the largest system covered by the NHPUC

**I invoice you upon receipt of our contract (PSA) from you  
and on the Annual Birthday of our contract**



# **What Are Your Fees?**

Contracts are based on the size of the array.

They will range from \$10 - \$50

**Aggregating smaller sites gives your broker  
visibility and selling leverage**

# How Often Do I Report?

## YOU REPORT MONTHLY

I request a quarterly report of your REPORTED REC generation from the broker

This aligns with the quarterly auctions of the RECs