

# Frequently Asked Questions (FAQs): Technical

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Edited FAQs: 4, 7, 19, 48, 56, 58, 60, 61, 63, 66, 67, 68, 70, 73, 75, 78, 82

New FAQs: 12, 28, 29, 30, 45, 46, 49, 55, 57, 74, 76, 81, 83

## Reference materials

Please review all [RE100's guidance](#) to support your review of these FAQs, including:

- The RE100 joining criteria
- The RE100 technical criteria
- The RE100 credible claims paper
- RE100's guidance on how its members are held to account

Please review previous [RE100 publications](#), including:

- Previous RE100 annual disclosure reports
- RE100 market briefings
- RE100's paper on business leadership in the transition to renewable electricity (referred to in this document as 'The RE100 Leadership Paper').

CDP's renewable energy team can be reached at [re100@cdp.net](mailto:re100@cdp.net) with any technical queries related to the RE100 initiative.

## Joining RE100

### 1. Can any company join RE100?

No. There are eligibility criteria. One of them is having an annual electricity consumption of at least 0.1 TWh. Please see all the requirements in the [RE100 joining criteria](#).

### 2. Can a company join RE100 if it is already consuming 100% renewable electricity?

Yes, companies that already consume 100% renewable electricity can join RE100. They commit to maintaining this achievement and to having their achievement verified against the [RE100 technical criteria](#) year-on-year through the annual reporting obligation.

### 3. What are the next steps once a company becomes a member?

RE100 member companies must progress towards their RE100 target in-line with the [RE100 technical criteria](#), and once the target is achieved, maintain achievement year-on-year.

Members have an annual reporting commitment to the initiative which is met through responses to specific questions in CDP's Climate Change Questionnaire.

Members are also encouraged to participate in campaign activities, share knowledge with peers, inspire others to follow, and publicly advocate for the clean electricity revolution.

## Setting a target: Scope and exclusions

### 4. What is included in a RE100 target?

RE100 targets are consumption targets. The goal is to be consuming 100% renewable electricity by a target year. The target covers all your organization's electricity consumption.

Your organization's electricity consumption is defined as the electricity consumption which underlies, according to the Greenhouse Gas Protocol:

- All scope 2 emission; and,
- All scope 1 emissions.

Review Chapter 3: Setting Organizational Boundaries in the [GHG Protocol Corporate Standard](#) for guidance on organizational and operational boundaries. If you operate in leased space, review [Appendix F](#) to the Standard.

RE100 does not guide companies on choosing and applying an organizational boundary setting approach. This is a service that can be provided by consultants if needed.

RE100 reserves the right to require member companies with significant consumption of electricity in franchise operations not accounted for in scopes 1 and 2 to extend the RE100 target to those operations.

### 5. Can subsidiary companies join RE100 independently from their group parent companies?

Generally, no. The RE100 commitment must be made by the group parent, for the entire group.

Individual companies with clear and separate branding from their parent companies, a degree of independence in their operations, and annual electricity consumption above 1 TWh/year may be permitted to join the initiative independently of their group parent. This recruiting decision is made by Climate Group on a case-by-case basis.

The subsidiary company must report to CDP independently from its parent company to meet its reporting obligation to RE100.

## 6. Can any operations or subsidiaries be excluded from RE100 targets?

RE100's materiality threshold provisions (detailed in the [RE100 technical criteria](#)) detail what electricity consumption an organization may exempt from its RE100 target.

Specific operations or business divisions are not inherently eligible for exclusion from the RE100 target. The RE100 materiality threshold provisions are the only provisions which may be applied to exclude electricity consumption from the scope of the RE100 target.

Exclusions made using the materiality threshold provisions must still be reported in the annual reporting exercise.

## 7. We lease space in a building and have no control over our electricity use because the building owner manages the supply. Or, we charge EVs off-site and have no control over that electricity use. How do we address that as part of our RE100 target?

First, check that the electricity consumption you are interested in is included in the RE100 target. See FAQ 4 for more information on what is included.

Practically speaking, if you determine that your operations in leased space or off-site EV charging involve purchasing of electricity with associated scope 2 emissions (meaning it is in the scope of the RE100 target), then a purchase of unbundled EACs can be used to make a claim about the supply of electricity, without you managing the physical supply of electricity itself. Similarly, if the managed supply contains renewable electricity that has been procured, the entity managing the supply (i.e. the building owner/landlord) can contractually pass on the right to claim use of renewable electricity to you (see FAQ 45 for how to report on a managed supply of RE).

## 8. Is backup generation included in a RE100 target?

No, but it can only be excluded under a specific set of circumstances.

The scope of the RE100 commitment for members that joined after January 2017 includes any electricity produced and consumed by the member.

The electricity production could come from fossil fuels in the form of backup generation, peak shaving generation, prime-power generation, or the electricity generated by a combined heat and power (CHP or cogeneration) system. Backup electricity generation is common across many industries, however true backup generation is rarely in use, and thus does not make a significant difference if a company removes it from the target coverage. This also reduces reporting burden on the company.

Thus, scope 1 electricity consumption from emergency backup generation used only in the case of grid outage can be excluded from the RE100 target. However, RE100 require greening prime power and CHP as well as systems used regularly for construction and peak shaving.

## Achieving an RE100 target

### 9. Is there a deadline to achieve an RE100 target?

Yes. RE100 targets must align with the following minimum ambition:

- 60% by 2030
- 90% by 2040
- 100% by 2050

RE100's current average 100% target year is 2031.

See the [RE100 joining criteria](#) for the formal policy around how members set their interim targets when they join the initiative.

These targets are global minima RE100 members must align with. Members should go beyond these minima by considering where they operate and set interim targets that are appropriately ambitious for the markets they operate in. Even in challenging markets, some RE100 members are already meeting their RE100 targets. This should encourage members operating in all markets to set and publicly announce ambitious targets.

Targets can also be set in the shorter term. RE100 recommends members set interim targets every 3-5 years to commit to a credible decarbonization pathway for their electricity consumption.

## **10. How should we develop our roadmap to increase our consumption of renewable electricity?**

RE100 does not advise on how companies should progress towards their RE100 targets. Rather, RE100 provides the rules (the technical criteria) for how that progress is measured.

A [CDP Accredited Solutions Provider](#) could support you in developing your strategy.

## **11. Is there a process for verifying the target achievement before any public claims?**

Yes. [RE100 verifies](#) whether a claim (either a 100% target achievement or an interim target achievement) is consistent with the [RE100 technical criteria](#) before supporting any public messaging by the member.

RE100's [guidance on how its members are held to account](#) explains how this can happen as part of the annual reporting requirement, or on-demand.

## **12. My company is nearing its target year, and there are some markets where we can't buy renewable electricity. What can we do?**

If there is no renewable electricity available in a market, then the company will not meet its RE100 target. This is not a failure of the company, but is one of the market. The market has not matched demand with supply. Companies cannot use a 'second best' approach and buy EACs issued to renewable electricity generated in a different market to compensate for the market failure. RE100 always highlights where companies are not consuming renewable energy because that is part of its theory of change.

What companies can do is be vocal about the failures of the markets they operate in. The RE100 initiative offers its members opportunities to participate in policy working groups in certain markets. These exist to lower barriers to procurement. Where there is not a RE100 policy working group, companies can independently advocate for lower barriers to procurement. They are also invited to disclose on the barriers they face in different markets in their annual reporting to CDP.

## **13. What is next once a company reaches its RE100 target?**

While achieving the RE100 target is an important focus, companies should be concerned with the impact their procurement has throughout the journey towards their target; not thinking about impact only after the target has first been achieved. Review member progress tables in RE100 annual disclosure reports for impact metrics. These are how the initiative highlights impact for companies at all stages of progress towards their RE100 targets. It is also worth exploring increasing your participation in the initiative's policy advocacy.

## Renewable energy resources

### 14. Which energy resources does RE100 consider 'renewable'?

Please review Section Three of the [RE100 technical criteria](#).

### 15. Why does RE100 not recognize nuclear energy as an energy resource that can be used to meet an RE100 target?

There are several reasons why RE100 does not recognize nuclear energy as an energy resource that can be used to meet an RE100 target.

Nuclear energy is not considered renewable by any common definition.

More importantly, though, RE100 does not see nuclear energy as an energy resource that is impacted by consumer choice in energy procurement. The objective of the RE100 campaign is for its members to drive collective changes on the grids where they operate through their energy procurement choices; both directly through the procurement itself, and indirectly through the signals to policymakers the procurement sends. New nuclear capacity takes a long time to deploy and is not built without public subsidies. Voluntary procurement from nuclear energy is unlikely to result in additional nuclear energy capacity being built. In contrast, new renewable electricity capacity is deployed quickly, is often free from subsidy, and is supported significantly by voluntary procurement. If RE100 were to recognize claims from nuclear energy, members would get closer to their RE100 targets without their own progress being associated with any collective changes.

RE100 also has a facility age limit for eligible procurement (which is an essential way RE100 expects its members will drive collective changes). Very few countries have commissioned new nuclear power plants in the past fifteen years.

### 16. Does RE100 consider electricity from fuel cells renewable?

It depends on the source of the fuel. A fuel cell itself is not inherently renewable or non-renewable. If it is consuming a renewable fuel, then the electricity generated is renewable. A fuel cell consuming fossil fuels does not produce renewable electricity.

### 17. Does RE100 consider electricity from energy storage renewable?

Please review Section Three of the [RE100 technical criteria](#).

### 18. Does RE100 consider electricity from wave or tidal energy renewable?

Wave energy is derived from wind energy, which RE100 considers renewable. Wave energy has seen little to no commercialization, and RE100 has received little to no interest from companies wishing to report using electricity from wave energy.

Tidal power is a distinct energy resource (not derived from one of the underlying energy resources listed in Section Three of the [RE100 technical criteria](#)). Tidal power is renewable. RE100 has not included it in Section Three primarily because of limited commercialization of the technology, and low interest from companies wishing to report using electricity from tidal energy. RE100 will recognize claims to use of renewable electricity generated from tidal energy if and when they are reported.

### 19. How can I assure myself that the biomass/hydropower I have purchase from is sustainable?

The technical criteria require there to be some form of sustainability assurance in place when making claims to use of renewable electricity from biomass or hydropower. Third-party certification is the **recommended, not required** form of assurance to use.

Companies may apply alternative methods of obtaining assurance of biomass or hydropower sustainability, provided they are satisfied with the level of assurance provided, and they report transparently on the basis on which assurance of sustainability has been obtained. RE100 cannot endorse specific proposals for assuring sustainability.

## **20. Are run-of-river hydropower or hydropower in a pipeline, irrigation canal, or other conduit used primarily for non-energy purposes inherently sustainable?**

No. Run-of-river hydropower is not inherently sustainable, and may still involve the construction of a dam. Run-of-river projects may not change the flow patterns throughout the seasons, but their operation may result in significant variations in flow on a daily or even sub-daily basis, such as when used for hydropeaking. Additionally, these projects could affect the ability of aquatic species and larger particles of sediment to move along the length of the river. All these aspects need to be closely assessed and managed. Third-party verification standards for hydropower sustainability include run-of-river hydropower in the scope of the generation facilities they assess for sustainability.

Hydropower in a pipeline, irrigation canal, or other conduit used primarily for non-energy purposes represents a fraction of commercialized hydropower. This type of hydropower is broad in scope, meaning it should not be assumed that all its examples are sustainable.

## **21. Are legally required environmental impact assessments of impoundments sufficient to assure hydropower sustainability?**

Hydropower impoundments in many markets are required by law to undergo environmental impact assessments. RE100 is not able to assess the content of these impact assessments and cannot categorically state whether, on their own, they could assure hydropower sustainability for corporate buyers. The fact that an impoundment has had an environmental impact assessment does not mean that it is sustainable. RE100 would also question whether the public authorities responsible for the impact assessments are appropriate, independent third parties.

The International Hydropower Association (IHA) has published a [how-to guide on environmental and social assessment and management of hydropower](#) for more context.

## **22. When do members need to have assurance of biomass/hydropower sustainability in place?**

RE100 does not consider its language on biomass and hydropower sustainability a change to the RE100 technical criteria in 2022, but rather a clarification of existing guidance. There is, as a result, no guidance on a transition to members being required to seek assurance of biomass and hydropower sustainability.

## **Reporting**

### **23. What data is requested by RE100 for annual reporting and why?**

To understand what disclosures the initiative asks for, please review the relevant [RE100 reporting guidance](#). The [‘How members are held to account’](#) document shows how this reporting is used by the initiative.

RE100 members commit to being publicly held to account on their progress towards their RE100 targets. To this end, RE100 members have an annual reporting obligation to the initiative. This exercise, the public accountability of the membership, and the insights drawn from reported data are central to RE100’s credibility and leadership position.

## 24. Can a company change the period it reports on?

This may be acceptable. A company may change the twelve months it reports on each year when there are administrative (for example, a merger or acquisition) or best practice (for example, aligning their reporting period with their country's fiscal year) reasons which incentivize a different choice of twelve months to report on in the next reporting year.

In reporting to CDP, the start and end date of the year being reported on are disclosed at the outset of the response, in C0.2. If the start and end in a response differ from those chosen in a previous response, companies should explain why in C5.1b (*Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?*).

## 25. Can a company request a change to its historic electricity consumption and renewable electricity consumption data reported to RE100?

No. There are limited cases where amendments may be made to CDP responses. Please review CDP's corporate response amendments policy, which details where, within a certain time after the reporting deadline **within the same year**, an amendment can be made, often for a fee. CDP will not amend responses for **previous** years of disclosure.

A member's boundary might change because of a merger or acquisition, suggesting its historic electricity consumption and renewable electricity sourcing will also change. These changes are not reflected in subsequent RE100 annual disclosure reports, which will only reflect disclosures as submitted during previous reporting years. While it is possible to re-state GHG emissions figures for previous reporting years in a **new** CDP response for the purpose of reflecting a change in organizational boundary, re-statements are not possible for any other datapoints.

RE100, as an initiative, believes its historic data should reflect the state of the initiative at the time. It is therefore possible that members' own publications may contain historic totals for electricity consumption and renewable electricity sourcing which differ from RE100's annual disclosure reports because those totals reflect different organizational boundaries.

## Guidelines and technical criteria

### 26. Are there guidelines which companies can use to claim consumption of renewable electricity credibly?

Yes.

- The [RE100 technical criteria](#)
- The [RE100 credible claims paper](#) – provides a set of criteria that renewable electricity sources and purchasing mechanisms must meet to support credible renewable electricity usage and delivery claims. These criteria can be applied to a local electricity market regardless of the type of market and the stage of market development. This briefing also provides guidance for verification, reporting, and communication of renewable electricity use.

These guidance documents are globally relevant. Where there is sufficient member demand RE100 will attempt to provide market-specific guidance but with members operating in over 150 markets this is not possible everywhere.

### 27. Are the technical criteria ever revised? Are the rules subject to change? Why?

Please review Section Two of the [RE100 technical criteria](#).

## 28. What will revisions to the GHG Protocol mean for the RE100 technical criteria?

The GHG Protocol is undergoing a stakeholder review process that may result in significant changes to how greenhouse gas reporting under the standard is done. The RE100 technical criteria are closely linked to the GHG Protocol given energy-related emissions reporting and energy-related claims are based on the same instruments and data. Please visit [this page](#) for an overview of the process and the feedback the GHG Protocol has received from stakeholders.

Changes to the Scope 2 Quality Criteria (see Chapter 7 in the current scope 2 guidance) (especially ones related to market boundaries) are a critical issue for RE100 because they are adapted to define [credible claims to use of renewable electricity](#). More specific market boundaries inviting RE100 to tighten or entirely replace its own definitions would be welcomed by the initiative. Changes to market boundaries that break a physical connection between electricity consumption and energy-related claims (i.e. very broad market boundaries or their outright removal) would run entirely counter to RE100's theory of change. RE100's policy advocacy strategy for improving corporate access to renewable electricity is inseparable from the locations in which RE100 companies consume electricity.

## 29. What changes are proposed for the RE100 technical criteria in 2024?

In the 2024 RE100 technical criteria update, RE100 is not proposing new thinking about [what makes a renewable electricity use claim credible](#) because the GHG Protocol update may explore such changes for equivalent emissions claims in the Scope 2 Quality Criteria (see FAQ 28). **This means RE100 is not proposing new market boundaries or time matching (vintage) requirements.** Rather, the proposed changes are *contextual* to renewable electricity use claims, and fit into the themes of 'instrument features and policy context' discussed in Chapter 8 in the current scope 2 guidance. The facility age limit introduced in the 2022 technical criteria update is an example of a change RE100 has previously made using this thinking.

As of February 2024, the exact details of the changes are not public, but are being discussed with RE100 companies. A public consultation on them will start in H1 2024, with details available on the RE100 website.

## Credible claims

### 30. What documentation/evidence do I need to credibly claim use of renewable electricity?

[RE100 recognizes any credible claim to use of renewable electricity](#). RE100 does not specify exactly what documentation a company must hold, only that it should give a credible claim. It does, however, require third-party verification of consumption of renewable electricity, detailed in Section Six in the [criteria](#). Section Six explains that this verification requirement is satisfied by most companies' existing processes for verifying their scope 1 and scope 2 emissions, and so a GHG auditor may be able to specify what documentation is needed to support claims.

RE100 recognizes its member companies' claims based on what they disclose in their CDP climate change questionnaire responses. To understand how to disclose and get recognition, review recent [RE100 reporting guidance](#).

### 31. How can renewable electricity be 'double-counted' or 'double-claimed'?

Double-counting and double-claiming can refer to slightly different problems with tracking of renewable electricity.



Double-counting of renewable electricity can refer to the same MWh of renewable electricity being tracked in more than one way. For example, if a generator is in more than one EAC registry, then the renewable electricity is being double-counted.

Double-claiming of renewable electricity refers to two different parties claiming to have used the same MWh of renewable electricity. In the example above, if one party purchases the certificates from system A issued to the generator while another party purchases the certificates from system B issued to the generator, the renewable electricity is being double-claimed. The only way to credibly claim use of renewable electricity in this instance is for one party to purchase the certificates from both system A and system B and to make a single claim.

### **32. What is a renewable energy contractual instrument?**

A renewable energy contractual instrument is a contract between two parties for the sale and purchase of renewable energy attributes.

These attributes may be bundled with or unbundled from energy itself.

Markets differ as to what contractual instruments are commonly available or used by companies to purchase energy or claim specific attributes about that energy, but they can include energy attribute certificates (RECs, GOs, etc.) and direct contracts such as Power Purchase Agreements (PPAs).

### **33. What are the quality criteria for tracking instruments?**

To make credible claims about the contractual allocation of attributes, the following criteria must be met:

- Credible generation data
- Attribute aggregation
- Exclusive ownership (no double counting) of attributes
- Exclusive claims (no double claiming) of attributes
- Geographic market limitations of claims; and
- Vintage limitations of claims

For further information on these criteria please refer to the [RE100 credible claims paper](#).

## **Ways to procure renewable electricity**

### **34. What procurement types are currently recognized by RE100?**

Please review Section Four of the [RE100 technical criteria](#).

### **35. Can we claim the % renewable electricity in the grid?**

No. Claiming the grid mix of renewable electricity, in almost all countries or areas, is double-claiming use of renewable electricity which other companies have actively purchased for themselves.

There are very specific cases in which RE100 recognizes claims to use of renewable electricity which are not based on active procurement of it. Complete guidance for them is found in *Section Four: Passive procurement* in the [RE100 technical criteria](#).

### **36. What about countries or regions with a high percentage of renewables in the grid?**

In many countries with a highly renewable generation mix, there are also mechanisms (e.g. EAC registries) that allow companies to allocate RE to themselves, meaning active procurement is necessary.

Some countries have a highly renewable generation mix, and also have no mechanisms for companies to actively allocate that renewable electricity to themselves. RE100 recognizes that it is not beneficial to create unnecessary cost or bureaucracy for companies operating in markets where this is the case. This is why RE100 recognizes 'default delivered renewable electricity from the grid in a market with at least a 95% renewable generation mix and where there is no mechanism for specifically allocating renewable electricity'.

Please review *Section Four: 5.2* for complete guidance on the procurement type. It is currently only recognized in Paraguay, Uruguay, and Ethiopia. If you believe this procurement type should be recognized in other countries, please send evidence to [re100@cdp.net](mailto:re100@cdp.net).

### **37. Why do we have to buy renewable electricity in Costa Rica when the grid is already over 99% renewable?**

In Costa Rica there is an EAC registry in place, meaning it is possible to actively purchase renewable electricity. Therefore, any claim to use of renewable electricity from the grid mix is double-claiming use of renewable electricity that other companies have actively purchased for themselves.

### **38. What if there is a government mandated renewable electricity target imposed on our company due to our large electricity consumption?**

If a renewable electricity target directly applies to your company and you are procuring renewable electricity to meet it, this procurement can be counted for RE100 as long as it meets the rest of the [RE100 technical criteria](#).

### **39. The Australian Capital Territory (ACT) is 100% renewable; can we count it as renewable?**

Not automatically, no.

Australia has an EAC system, meaning active procurement is possible. A passive approach may be credible as outlined in *Section Four: 5.1 Default delivered renewable electricity from the grid, supported by EACs*. Under this approach, passive claims can only be made for the renewable electricity in supplies that is delivered by default, and that is supported by EACs that have been retired on behalf of consumers. The Australian Renewable Energy Target (RET) is legislation that may be the basis for such claims.

Active procurement of renewable electricity is otherwise expected throughout Australia.

### **40. What about New Zealand? The grid is already 85% renewable, why can't we claim it?**

Renewable electricity can be actively procured through several approaches in New Zealand. Therefore, any claim to use of renewable electricity from the grid mix is double-claiming use of renewable electricity that other companies have actively purchased for themselves.

#### **41. In British Columbia, Manitoba and Quebec, grids are over 95% renewable. Why is active procurement of renewable electricity required there?**

The entire Canadian grid has a lower than 95% renewable generation mix. There are also ways to actively procure renewable electricity in Canada, including in some of the provinces that have highly renewable grids. Active procurement is therefore expected.

In British Columbia, Manitoba and Quebec, RE100 recommends that corporate buyers:

- Ask suppliers or utilities to develop contracts that actively allocate renewable electricity. Currently, RE100 understands that power contracts in these provinces make no mention of any allocation of energy attributes to corporate buyers. These contracts could give credible claims to use of renewable electricity without implying the additional cost of issuing the renewable electricity generation with EACs.
- Ask suppliers or utilities to issue EACs to the generation they supply. Companies with default contracts (i.e. not specified renewable electricity contracts) could then claim the renewable EAC content in those default supplies as outlined in *Section Four: Default delivered renewable electricity from the grid, supported by EACs* in the [RE100 technical criteria](#).

#### **42. Does RE100 recognize cross-border financial/virtual PPAs?**

Only when the financial/virtual PPA is used to make claims to use of renewable electricity which observe market boundaries. See Appendix B in the [RE100 technical criteria](#) for the RE100 market boundary definitions.

#### **43. Can a carbon offset/credit be used to claim use of renewable electricity?**

No. Offsets and EACs are fundamentally different instruments. The offset represents a quantity of global GHG emissions reduced or avoided by the project compared to a baseline scenario of what emissions would have occurred in the absence of the offset-funded project. Offsets, and their global avoided emissions claim, represent a different instrument and claim from the energy attributes associated with electricity production. Offsets convey tons of avoided CO<sub>2</sub> using project-level accounting, but they do not convey information about direct electricity generation emissions occurring at the point of production, like EACs do.

Thus, an offset does not confer any claims about the use of electricity attributes applicable to scope 2.

Please check section *8.2.4 Relationship to offset credits* in the [GHG Protocol's Scope 2 guidance](#) for more details.

#### **44. How can we report default delivered RE in the US when the utility/supplier does not publish data about REC retirement overlapping the reporting period of the company?**

To claim and report default delivered RE in the US, a reporting company needs to have data available corresponding to the reporting period of the company. In the event of data unavailability from the utility/supplier, the reporting company cannot claim and report default delivered RE. In some circumstances, data is only available for a few months of the 12-month reporting period of the company. In this case, the company can only claim and report RE consumption corresponding to the period for which data is available. It is recommended to work with the utility/supplier to get them to make this data available in a timely manner.

RE100 expected data availability to be an issue when it introduced the default delivered renewables option, and the expectation is that companies will use this as an opportunity to push

their suppliers for better data, and refrain from making claims until they have the data to support those claims.

#### **45. My landlord or datacenter operator supplies me with renewable electricity (I operate in a leased space). What is the procurement type recognized by RE100?**

You must get information from the entity managing the supply to answer this question. Ask about how they are procuring renewable electricity on your behalf. If the entity owns solar panels on your rooftop, the RE100 technical criteria are clear this should be reported on as a purchase from an on-site installation owned by a third party (under physical PPAs). It is less clear if the entity managing the supply is supplying you with renewable electricity from the grid. If the entity purchases unbundled EACs for your consumption, you should report use of renewable electricity through unbundled EACs. Similarly, if the entity managing the supply procures renewable electricity for your consumption through a contract with a supplier, you should report use of renewable electricity through a contract with a supplier.

If the entity has a physical or financial grid PPA though, you should consider your underlying relationship with the generator that PPA is with. You may need to consider to what extent the risk assumed by the landlord through the PPA is passed onto you. This scenario is not clear, and RE100 has no criteria for when a managed supply should be reported on as a PPA. You should consider the defined procurement types in the technical criteria and choose the one that describes your supply best. This will require engagement with the entity managing the supply.

#### **46. Should I report this renewable electricity consumption as self-generation, or a form of renewable electricity purchasing?**

This question is frequently asked by companies that lease a renewable energy generation facility as part of their approach to procuring renewable electricity, or that make general claims to 'invest' in renewable energy. It is often asked by companies wanting to know if their procurement is exempt from the fifteen-year facility age limit.

Whether renewable electricity consumption should be classified as self-generation is entirely dependent on the operational boundary (which determines scope 1, scope 2, and scope 3 emissions) of the company following its application of an organizational boundary setting approach (operational control, financial control, or equity share).

Perform a thought experiment and replace the renewable electricity generation facility in question with a fossil fuel generator. If the emissions this generator would produce would be accounted for in scope 1, then you are self-generating.

Emissions from leased assets are reported in different scopes depending on the organizational boundary setting approach your organization uses (operational control, financial control, or equity share), and the type of lease you have for the asset. Appendix F of the GHG Protocol contains further guidance, but references outdated lease classifications. Please seek advice from a consultant if you are not sure how to classify your emissions from leased assets under modern lease classifications. The GHG Protocol may issue modern guidance for reporting emissions from leased assets in its next update.

If procurement from a leased asset is classified under RE purchasing (not self-generation), exemption from the facility age limit may still be possible provided the procurement is project-specific (presumably the lease necessarily defines the procurement as project-specific), and the company is the original off-taker, or the purchasing is classified under a wholly exempted purchasing procurement type (on-site or direct line purchase).

## Energy attribute certificates (EACs)

### 47. What is an Energy Attribute Certificate (EAC)?

An Energy Attribute Certificate (EAC) is a category of contractual instruments used in the electricity sector to convey information about electricity generation to other entities involved in the sale, distribution, consumption, or regulation of electricity. Typically, 1 EAC = 1 MWh of renewable electricity. EACs are issued to renewable electricity generators operating within the same market boundary as the claimant. EACs exist in markets with reliable tracking systems to ensure that no double counting of the attributes takes place. EAC can be sourced bundled as well as unbundled, where a bundled EAC means that it comes with the physical delivery of electricity (such as through a direct PPA), and unbundled means that it comes without the physical delivery of electricity. It is important to note that EACs are not offsets. They are contractual instruments that allow companies to accurately account for their renewable electricity purchases.

### 48. Which Energy Attribute Certificate (EACs) are currently recognized by RE100?

RE100 recognizes any tracking instrument or EAC system that gives [credible claims to use of renewable electricity](#).

RE100 does not maintain an exhaustive list of systems, tracking instruments, or products that give credible claims. RE100 cannot provide endorsements of specific systems or products. Below is a list of EAC systems that have appeared in claims made by RE100 members that RE100 has recognized. If a particular EAC system does not appear in this list, it does not mean it is not credible, it only means a RE100 member company has not yet made a claim to use of renewable electricity to RE100 with it.

- REC (US and Canada)
- GOs (Europe)
- REGO (UK)
- T-REC (Taiwan)
- J-Credit, NFC, GEC (Japan)<sup>1</sup>
- I-REC (International)
- TIGR (International)
- GEC (China)
- LGCs (Australia)
- NZECS (New Zealand)
- Korean national EAC system
- Indian national EAC system
- zaRECs (South Africa)

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<sup>1</sup> NFCs must be procured with necessary tracking information. Without this information, companies do not understand what generators they are buying renewable electricity from. See the [RE100 market briefing on Japan](#).

## 49. Has RE100 updated its guidance on the use of GECs following recent GEC policy announcements in China?

RE100 is aware of recent GEC policy developments in China and is following them closely.

RE100 has recognized and continues to recognize claims based on GECs. RE100 released a technical assessment on GECs in 2020 that presented two additional steps for companies making claims from the system.

The first additional step is around attribute aggregation: RE100 understood it is **possible** for GECs to be issued to generators that are also issued with carbon offsets. Following the 'full attribute aggregation' principle from the technical criteria, the additional step is for companies to check if the generator receives offsets, and, if it does, buy the offsets issued to the same MWh the GECs are purchased for. This enables a claim backed by full attribute aggregation. RE100 understands that the pause in carbon offset issuance in China, which had lasted for several years, recently ended meaning disaggregation concerns remain in the market.

The second additional step GEC buyers should take is to be mindful of vintage limitations (since GECs do not specify an expiration date).

RE100 does not impose additional reporting requirements for claims made using GECs (see FAQ 30), and does not endorse specific proposals for how companies should implement the recommendations of the technical assessment.

RE100 may release updated GEC guidance when necessary.

## 50. What about Peace Renewable Energy Credits (P-RECs)?

Peace RECs are issued under the I-REC Standard (they are I-RECs) by authorized I-REC issuer Energy Peace Partners. They are more strongly associated with impact because the revenues from their sales are directed towards funding first-time electrification projects in fragile, energy poor regions where renewable energy investment has been limited. They can currently be issued in Chad, the Democratic Republic of Congo, Ethiopia, Haiti, Somalia, and South Sudan as well as Nigeria and Uganda, with more P-REC-issuing countries expected to be added. Companies can use P-RECs issued in the country they operate in to claim use of renewable electricity. To RE100, they are viewed as an 'additional, voluntary label' associated with renewable electricity purchasing (see Section Five in the [RE100 technical criteria](#)). RE100 companies buying P-RECs in a way that meets the RE100 technical criteria (e.g. market boundaries) receive additional recognition from RE100.

## 51. How can I get RE100 to endorse a particular REC/EAC system?

RE100 is not resourced or organized to evaluate EAC systems or specific products. If there is an EAC system you wish to use that does not appear in the list above, use the [RE100 credible claims paper](#) to assess its suitability.

## 52. Is there a vintage limitation for certificates?

Yes. To make a credible RE claim, the vintage of the energy attribute certificates must be "reasonably close" to the reporting year of the electricity consumption to which it is applied. There is, however, no official consensus on what is "reasonable" in this case, and it may vary between markets. RE100 does not have a specific vintage limitation.

Companies can refer to certification standards, claim verification and recognition programs, and/or GHG inventory reporting systems to ensure that the vintage of generation does not occur too far in advance or after consumption.

The Green-e® standard has a 21-month vintage requirement which RE100 recommends as a reasonable practice. The requirement states that a given twelve-month reporting period of electricity consumption can use vintages of renewable electricity from the six months before the

reporting period, the twelve months of the reporting period, or the three months after the reporting period.

### **53. Can Energy Attribute Certificates (EACs) be used to green electricity generated and consumed from a Combined Heat and Power (CHP) plant?**

In almost all cases, no. RE100 asks that you consider whether the emissions from the CHP plant are in Scope 1 or Scope 2 of your organization, whether the CHP plant is located on-site or off-site, and, if off-site, whether the electricity from the CHP is being sourced through a direct line or a grid transfer. These factors determine whether it is credible to use EACs to decarbonize electricity sourced from CHP which is using fossil fuels.

EACs are Scope 2 instruments conveying the environmental attributes of grid-delivered electricity. They cannot be used to decarbonize Scope 1 emissions or electricity that is not delivered through the shared electricity grid (e.g., through a direct line).

RE100 does not support decarbonizing electricity from on-site fossil fuels through any approach which does not directly or contractually reduce those fossil fuel emissions, regardless of the connection type and which Scope the emissions from the fossil fuels are in for your organization. A company with on-site CHP is choosing to have fossil fuel generation located on-site for its use, which is not a strategy that RE100 can support as a 100% renewable electricity initiative.

To decarbonize the electricity generated by an on-site CHP plant or an off-site one to which you have a direct line, regardless of which Scope the emissions are in, you must do one of the following:

- Switch to a renewable energy system,
- Switch to a renewable fuel source such as biodiesel or biogas for on-site power generation,
- Purchase green gas certificates (e.g., ERGaR) from the same gas network.

If electricity from a CHP plant is off-site, contractually sourced through a grid transfer, and the emissions are in Scope 2 of your organization, RE100 accepts the use of EACs to decarbonize it. This is not a recommended approach, however. Contractual sourcing of CHP conveys fossil fuel attributes to your organization and procuring EACs from renewable generation does not inherently substitute those fossil fuel attributes.

### **54. How does RE100 approach the use of biogas certificates in the absence of market-based Scope 1 GHG accounting guidance from the GHG Protocol?**

The appropriateness of using market-based instruments such as green gas certificates for Scope 1 emissions inventories is a contested issue. The GHG Protocol is undertaking a process to determine the need and scope for additional guidance building on the existing set of corporate GHG accounting and reporting standards for Scope 1, Scope 2, and Scope 3 emissions. As part of this process, the GHG Protocol plans to holistically examine the appropriateness of market-based accounting methods across sectors, end-uses, and scopes. RE100 intends to align with any revisions to the GHG Protocol standards and guidance resulting from this process, including on the use of green gas certificates for emissions accounting.

While the GHG Protocol process is ongoing, companies are encouraged to make their own judgement of the appropriateness of using green gas certificates in their emissions accounting.

See FAQ 28 for general information about how the GHG Protocol update may influence the technical criteria.

## 55. Do I need to cancel certificates myself, or can they be cancelled on my behalf?

It is not necessary for the company claiming RE use to have its own account on an EAC registry and for it to cancel certificates in its own name. Rather, the idea of one entity procuring RE on behalf of another applies. A broker, consultant, supplier, or other intermediary may hold an account and cancel certificates on behalf of customers. The intermediary should give the customer a detailed account of the certificates cancelled on their behalf in order for the customer to report on their claims in detail.

## Market boundaries

## 56. If a company has operations in many countries, is it allowed to source renewable electricity in one country or regionally to cover all of the operations?

No. Please review Appendix B in the [RE100 technical criteria](#).

## 57. My company is nearing its target year, and there are some markets where we can't buy renewable electricity. What can we do?

If there is no renewable electricity available in a market, then the company will not meet its RE100 target. This is not a failure of the company, but is one of the market. The market has not matched demand with supply. Companies cannot use a 'second best' approach and buy EACs issued to renewable electricity generated in a different market to compensate for the market failure. RE100 always highlights where companies are not consuming renewable energy because that is part of its theory of change.

What companies can do is be vocal about the failures of the markets they operate in. The RE100 initiative offers its members opportunities to participate in policy working groups in certain markets. These exist to lower barriers to procurement. Where there is not a RE100 policy working group, companies can independently advocate for lower barriers to procurement. They are also invited to disclose on the barriers they face in different markets in their annual reporting to CDP.

## 58. Will RE100 ever recognize claims to use of renewable electricity in one market based on purchasing of renewable electricity in a different market?

This possibility is being studied by RE100. In 2022, RE100 held a public consultation around changes to the RE100 technical criteria which included a proposal to recognize **physical procurement of renewable electricity across a market boundary under certain conditions**.

The proposal was drafted largely in response to grid interconnection infrastructure and contracts for trade of energy and energy attributes in development between Singapore, other ASEAN countries, and Australia.

Ultimately, [the proposal was withdrawn for several reasons](#).

CDP has studied the idea of renewable electricity use claims derived from imports (i.e. across market boundaries), and released a [working paper intended for policymakers, regulators and EAC system operators](#). The paper discusses problems with these claims and presents necessary but not sufficient solutions for addressing them.

## 59. What should a company do when renewable electricity sourcing options are not available in a country of operation?

RE100 recognizes that procuring renewable electricity in some markets is challenging, and sometimes impossible.



As leaders in renewable electricity procurement, RE100 members are encouraged to engage with local suppliers/utilities or policymakers and aggregate demand with their peers to open markets to voluntary procurement of renewable electricity. [Where RE100 has active policy work, RE100 companies can work directly with the initiative.](#)

RE100 is happy to discuss opportunities to connect members in regions where RE is particularly challenging. Members can also explore generating their own renewable electricity.

The electricity sector is tending towards liberalization in most markets (though some markets display the opposite), meaning that barriers to voluntary procurement are expected to be lowered over time.

**60. Does RE100 have subnational market boundaries? For example, is ERCOT (Electricity Reliability Council of Texas) considered as a separate market by RE100?**

No, RE100 does not have sub-national market boundaries. ERCOT counts as part of the USA and Canada market for RE100. RECs from Texas can be used to cover operations in the rest of the US and vice versa. Companies should consider grid restrictions in their procurement, however. For example, ERCOT is isolated from all other grids in the U.S., and claims across the U.S. based on generation in ERCOT are understandably criticized by many stakeholders. Many companies follow more local procurement strategies to ensure that their renewable electricity that they are procuring influences the electricity mix that they are consuming from their local grid. RE100 is not currently in a position to develop and enforce sub-national market boundary criteria.

**61. What about islands which are part of a country but do not share the same electricity grid (e.g., Puerto Rico, an unincorporated territory of the USA). Do we have to buy renewable electricity from the specific island where we have consumption?**

RE100 does not have subnational market boundaries and thus would allow a claim for a REC from the mainland USA being used for consumption in Puerto Rico, if the rules of the REC system allow this. However, a purchase of RE generated on the continental U.S. bears no connection whatsoever to the grid in Puerto Rico. Companies are strongly advised to focus their procurement locally, which in this example means procuring renewable electricity generated in Puerto Rico.

**62. What about nations made up of many islanded grids or separate territories without grid connections (e.g., Indonesia)? Do we have to buy renewable electricity from the specific island where we have consumption?**

RE100 does not have subnational market boundaries and thus a company would not need to buy from the same island where their consumption is in Indonesia. We recommend, however, that companies take into consideration the impact that their renewables purchases will have on their physical electricity supply. Similarly to FAQ 61 companies are advised to focus their procurement locally.

**63. Does RE100 count AIB ex-domain cancellations?**

RE100 only defines credible market boundaries considering geographic matching of renewable electricity generation and renewable electricity use claims. RE100 does not define any provisions for transfer or cancellation of certificates within the markets it recognizes. Ex-domain cancellation in this context only refers to claims made using EECS GOs that are not exported from the EECS domain they are issued in to the area a claim is made. It is not a shorthand for claims that ignore market boundaries entirely.

Ex-domain cancellation outside of AIB (i.e. using an EECS GO issued in one EECS domain to make a claim in a non-AIB state) is not recognized by RE100 because it does not observe the RE100 market boundary definitions.

Ex-domain cancellation within AIB (i.e. cancelling an EECS GO in its domain of issuance but making a claim in a different EECS domain without transferring the EECS GO to the domain where the claim is being made) goes against EECS rules. In practice, there are sometimes barriers to transfer from one EECS domain to another. Please reach out to AIB if you experience any.

#### **64. Can I source renewable electricity from mainland China for operations in Taiwan, China?**

The political and legal statuses of Taiwan, China are contentious issues. However, when it comes to the electricity market and as far as the RE100 team is aware, there is no grid-interconnection between Taiwan, China and mainland China. In addition, relevant laws governing the electricity sector are distinct in both regions. Taiwan, China has its own RE market instrument known as T-REC, which is a valid RE market instrument for RE100 reporting. Additionally, Chinese Green Energy Certificate (GEC) are developed to be used only in mainland China.

Therefore, for RE100 you must use local market instruments such as T-RECs in Taiwan, China.

#### **65. Can I source renewable electricity from mainland China for operations in Hong Kong?**

Yes. Hong Kong is politically part of mainland China. It also imports around 25% of its electricity from mainland China. It is therefore part of the same market for renewable electricity as the mainland.

There are utilities in Hong Kong which issue EACs to local renewable electricity generation, meaning that companies operating in Hong Kong can procure renewable electricity locally. This may be a higher-impact approach to procurement than purchasing from the mainland.

#### **66. Will the UK be excluded from the European market boundaries as a result of Brexit? Should UK & EU be treated as two separate markets?**

The EU and Ofgem no longer mutually recognize renewable electricity accounting instruments in the trade of electricity between the EU and the UK. The UK is a distinct market for renewable electricity.

RE100 changed its market boundary definitions for Europe in 2022, already after mutual cessation of recognition of instruments by the EU and Ofgem. Today, RE100 sees no circumstances under which claims to use of renewable electricity anywhere in the UK are credible based on renewable electricity generated in the EU.

Companies should review Appendix B of the [RE100 technical criteria](#) to fully understand the impact on claims and recognition resultant from the change RE100 has made.

#### **67. Ireland and Northern Ireland share an electricity market. Can Irish GOs be used for claims in Northern Ireland, or can Northern Ireland REGOs be used for claims in Ireland?**

No. Northern Ireland is part of the UK, and the UK is a distinct market as explained in FAQ 66. The Single Electricity Market Operator for Ireland only allows REGOs to be used in the calculation of the Fuel Mix Disclosures of Northern Irish Suppliers.

#### **68. When will Singapore and Malaysia will be considered one market for renewable electricity?**

See FAQ 58.

Singapore and Malaysia currently do not form a single market for renewable electricity. A market for renewable electricity is described by an area in which:

- The laws and regulatory framework governing the electricity sector are consistent between the areas of production and consumption;
- Electricity grids are substantially interconnected, indicating a level of system-wide coordination; and
- Utilities/suppliers recognize each other's energy attributes and account for them in their trade of energy and energy attributes.

While the members of ASEAN (Association of Southeast Asian Nations) have signaled that they intend to form a single market to facilitate trade of renewable energy market instruments, the ambition to form a joint market is not sufficient to consider it joined. Similarly, there are discussions of importing more renewable energy to Singapore through new grid infrastructure, but it is not yet built.

### **69. I-RECs are no longer issued in the Russian Federation. What can we do?**

RE100 expects that markets will generally tend towards lowering barriers to procurement over time. It is possible, however, for markets to raise barriers.

The cease in issuance of I-RECs in Russia poses a new barrier to procuring renewable electricity credibly there. Companies operating in Russia must find alternatives for procuring renewable electricity within the country. RE100 has received reporting from companies suggesting contracts with suppliers in Russia are available which supply renewable electricity from generators not on the I-RECs registry, meaning it may still be possible to procure renewable electricity in Russia.

It is not acceptable for companies to purchase renewable electricity generated outside of Russia for claims to use of renewable electricity in Russia as a 'second best' option now that I-RECs are no longer available there. Claims to use of renewable electricity must reflect the realities in the markets in which those claims are made.

Where it is challenging to procure renewable electricity, RE100 asks its members to report on the barriers they face in C8 in the CDP Climate Change Questionnaire.

## **Leadership and impact**

### **70. Are the RE100 technical criteria by themselves leadership criteria?**

The technical criteria are only one of the mechanisms by which RE100 is a leadership initiative. Other dimensions of leadership include the time-bound nature of the RE100 target, and the fact that the target is global. Another mechanism is RE100 companies' participation in the initiative's policy advocacy.

### **71. How can I increase the impact of my renewable electricity purchase?**

RE100 identifies different leadership dimensions in corporate procurement of renewable electricity, including an exploration of impactful procurement, in the [RE100 Leadership Paper](#). There are diverse ways to consider impactful procurement, with no consensus on how to evaluate it through various lenses (for example, through an environmental justice lens). RE100 chooses to emphasize procurement which contributes to changing the grid as central to impactful procurement. More specifically, RE100 emphasizes additionality. Additionality is closely aligned with the initiative's aim to accelerate the transition to low-carbon grids. Additionality is also an interpretation of impactful procurement which currently has relevance in all markets. Additionality in the context of impactful procurement of renewable electricity is procurement which adds new renewable electricity capacity to grids which would not have been added to the grid without that procurement.

Other forms of impactful procurement which aim to change the grid exist, however. They are innovative and emerged after RE100 published its Leadership Paper. They are not relevant in all markets because they are only accessible in the most developed and liberalized electricity markets. RE100 is considering ways to recognize their use, but cannot recognize them in the RE100 technical criteria, which must stay globally relevant. Two of these approaches are described below.

Renewable electricity must be procured from the same market it is being used to decarbonize consumption in for a claim of use of renewable electricity to be credible: this is RE100's market boundary criterion. However, location-matching of consumption and generation can be more precise. Similarly, time-matching can also be more precise than RE100's vintage limitation (which only states that the vintage of renewable electricity generation should be 'reasonably close' to the consumption it is being applied to – without defining 'reasonably close'). EACs with a timestamp are becoming more available, along with hourly, or half-hourly metering, to facilitate precise time-matching of consumption of electricity and procurement of renewable electricity. When location-matching and time-matching are done precisely, they may help develop a more robust renewable grid. This approach to procuring renewable electricity has a high impact on the grid.

Another approach to procuring renewable electricity with a high impact on the grid is to precisely time-match procurement of renewable electricity with peak emissions from fossil fuel electricity generation (i.e., procure renewable electricity at the time of the highest locational marginal emissions on the grid<sup>2</sup>). This approach to procurement is intended to optimize emissions reductions by displacing fossil fuel generation. To maximize global emissions reductions, the approach is best used on the dirtiest grid. Organizations which use this approach therefore may deploy it outside of the markets in which they operate. While this might result in higher emissions reductions for the expenditure on procurement than procuring in-market, the organization loses its claim to having itself used renewable electricity. An organization purchasing renewable electricity using this approach outside of the markets in which it operates should therefore view the purchases as the organization's investment in global emissions reductions, and not as part of the organization's procurement of energy for its operations.

Uncertainty around other impact measures does not diminish their importance in any way and companies should consider those metrics in addition to effects on the grid mix.

## **72. Why does RE100 specify a fifteen-year commissioning/re-powering date limit?**

A facility age limit is one mechanism for voluntary purchases to send a more targeted price signal: that renewable electricity from **new** generators is desired. It is also a rule that can easily be interpreted globally.

Criticism of voluntary claims from old projects is well established. Several local green energy programs make use of a facility age limit. Some local green energy programs have responded to the RE100 facility age limit by introducing one of their own.

Complete guidance for the RE100 facility age limit is found in the [RE100 technical criteria](#) (Section Five: 2.2). More information on the consultation process that resulted in the adoption of the limit is found in the consultation documents for the 2022 technical criteria update on the [RE100 guidance page](#).

## **73. What additional recognition do RE100 companies get for their procurement?**

RE100 annual disclosure reports now share 'impact metrics' derived from RE100 companies' CDP reporting. They are in addition to the single % figures that represent progress towards the RE100

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<sup>2</sup> Locational Marginal Emissions (LME) is a metric that measures the tons of carbon emissions displaced by 1 MWh of clean energy injected to the grid at a specific location and a specific point in time.

target. These are: (1) a procurement type mix (e.g. 30% PPAs, 30% contracts with suppliers, 40% unbundled EACs), (2) a % RE derived from facilities commissioned/re-powered in the past fifteen years, and (3) a % RE with which an ecolabel is associated. The metrics are only shared for RE100 companies submitting public CDP responses.

RE100 also planned to include a new impact metric for granular matching in the 2023 annual disclosure report, but received no claims from any RE100 companies pursuing the approach.

Please review [RE100's guidance on how its members are held to account](#) by the initiative for more details on what is made public about members in RE100 annual disclosure reports.

#### **74. Will RE100 introduce granular matching to the technical criteria? Why isn't a 24/7 approach already required?**

RE100 does not currently plan to introduce tighter than annual temporal matching or market boundary requirements tighter than those in the 2022 technical criteria. **However, it is important to note that granular matching is a topic that has received significant attention in updates to the GHG Protocol, which may influence the technical criteria in the future (see FAQ 28).**

Granular matching of RE purchasing and electricity consumption is emerging as a next step for RE accounting in some markets. In the U.S. and EU, legislation for renewable hydrogen producers will adopt strict time and location-matching criteria to qualify them for public subsidies.

While granular matching has been the subject of significant attention for corporate procurement, it is important to realize it remains inaccessible in nearly all markets and for nearly all energy users because most EAC systems do not issue hourly certificates, and many users may not have access to hourly information about their own consumption. Furthermore, there is no consensus on how to do it globally. Hourly matching can be understood globally, but there is no consensus around location-matching criteria. Purchasing from the same 'bidding zone' is the definition adopted in EU hydrogen legislation, while in the U.S., location-matching criteria use the 'geographic regions' defined by the Department of Energy National Transmission Needs Study. These definitions are political, not scientific, and cannot be generalized globally. Some research into granular matching has produced 'deliverability metrics' that appear to be more rigorous ways to define location-matching criteria, but it is unclear whether these metrics can be calculated for any grid. Lastly, current methodologies for granular accounting result in double-claiming RE use which is incompatible with the claims RE100 recognizes.

RE100 has already invited any RE100 companies pursuing granular matching to report on their use of the approach. No company has yet declared claims made through granular matching to the initiative, despite several RE100 companies' high-profile advocacy of the approach. The information was asked for so that RE100 could publish an additional impact metric, and to help the initiative understand how granular matching disclosure could be standardized.

### **2022 technical criteria FAQs**

RE100 has received a high volume of questions from companies, consultants, and REC brokers exploring how they will be impacted by a transition to a fifteen-year commissioning/re-powering date limit and a revised view of a single market for renewable electricity in Europe. These questions have largely explored:

- What could count as grandfathered under the [2021 technical criteria](#) (i.e. claims that can ignore a facility age limit and observe the [2019 note on market boundaries](#)).<sup>3</sup>
- What could count as a supply arrangement that would be recognized by RE100 under the 2022 technical criteria long-term, irrespective of facility age.<sup>4</sup>

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<sup>3</sup> See Section Five: 2.2 and Appendix B in the 2022 RE100 technical criteria

<sup>4</sup> See bullet point #3 in Section Five: 2.2 in the 2022 RE100 technical criteria

The questions have often included very detailed descriptions of contractual arrangements with varying terms around execution, the parties involved, and provisions for renewal, extension, or cancellation.

RE100 cannot categorically advise on each proposal at this level of detail. RE100 instead advises on the principles that underly the guidance, and encourages companies to consider these principles and how well their proposals uphold these principles. RE100 will not provide explicit approvals for contracts structured to exploit grandfathering or exemption from the commissioning date limit. We expect that we are working towards a shared goal with members and that they will operate in good faith and seek to maximize impact rather than exceptions.

## Grandfathering of claims meeting 2021 criteria

### 75. What counts as grandfathered?

The grandfathering provisions are intended to provide a swift and fair transition to the requirements in the 2022 technical criteria. RE100 has chosen a mechanism for grandfathering based on the 'operational commencement' of the contracts you are using to make RE use claims, and a transition date of 1 January 2024.

**The 'operational commencement' of your contract is the date of electricity consumption you first use the contract to make a claim about.** This is a definition that can be applied consistently across bundled procurement (physical PPAs and contracts with suppliers) and unbundled procurement (VPPAs and unbundled EAC purchases). It is important to note that **operational commencement has nothing to do with contract signing date.**

For example:

- You sign a new contract with a supplier in December 2022. You receive power and energy attributes in January 2023. You claim use of renewable electricity over January-December 2023. **The operational commencement is January 2023.**
- You sign a VPPA in 2020. The project starts generating renewable electricity and supplying you with certificates with late 2023 vintages. Following 'reasonably close' vintage limitations, you apply certificates to your electricity consumption for the first time in January 2024 and start claiming use of renewable electricity through the VPPA. **The operational commencement is January 2024.**
- It is January 2024, and you want to decarbonize your electricity consumption for the past year. You go to market for a one-time unbundled EAC purchase and buy EACs with appropriate vintages so that you can claim use of renewable electricity over January-December 2023. **The operational commencement is January 2023.**
- Your contract with supplier was signed in 2018 and has been providing you with power and attributes since 2018. You have been renewing the contract annually for delivery of power and attributes January-December each year. It is January 2024, and you have just renewed the contract for the period January-December 2024. **The operational commencement is January 2024.**

**If the 'operational commencement' of a contract is before 1 January 2024, then the claims made through the contract will be recognized by RE100 if they meet the 2021 technical criteria. When the contract is replaced or renewed, a new operational commencement must be defined.**

The grandfathering provisions are intended to accommodate RE100 companies' existing supply arrangements that extend into 2024. They are not intended to encourage a new rush for long-term contracts that ignore the new requirements in the 2022 technical criteria.

### 76. How do I report on my grandfathered claims?

For your claims to be grandfathered, **you must provide the following disclosures in C8.2h:**

- Country/area of consumption of purchased renewable electricity (column 1)
- Sourcing method (column 2)
- Renewable electricity technology type (column 3)
- Renewable electricity consumed via selected sourcing method in the reporting year (MWh) (column 4)
- Tracking instrument used (column 5)
- Country/area of origin (generation) of purchased renewable electricity (column 6)
- Are you able to report the commissioning or re-powering year of the energy generation facility? (column 7)
- (If yes to column 7) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering) (column 8)
- Vintage of the renewable energy/attribute (i.e. year of generation) (column 9)
- Supply arrangement start year (column 10)
  - **This is equivalent to ‘operational commencement’ and must be before 2024**
- Additional, voluntary label associated with purchased renewable electricity (column 11)

If a disclosure is missing from any of the above columns, the claim will be held to account on the 2022 criteria.

### **77. What is the operational commencement date of a renewed contract, or a contract with silent renewal provisions?**

For the purpose of interpreting the operational commencement date definitions in Appendix F, consider renewed contracts new contracts. Do not cite the operational commencement date of the original contract as that of the renewed contract. This means that renewed contracts will eventually have operational commencement dates on or after 1 January 2024 and will therefore be subject to the 2022 RE100 technical criteria. Silent renewal cannot be used as a justification for citing an old operational commencement date and never changing procurement requirements.

## **Fifteen-year commissioning/re-powering date limit**

### **78. What could make a company the ‘original off-taker’?**

RE100 cannot define ‘original off-taker’ more precisely than: the first company to buy and use the renewable electricity generated by a project upon its commissioning or re-powering.

RE100 uses the term ‘original off-taker’ to recognize the impact certain companies have when they commit to long-term project-specific contracts with projects upon their commissioning or re-powering.

Companies sometimes enter into power purchase agreements as the original off-taker from a project, and therefore play an essential role in the project’s financing. RE100 believes it is possible for other forms of procurement to be project-specific and done by companies as original off-takers, including certain forms of contracts with suppliers and unbundled EAC procurement.

RE100 has been approached with hypothetical procurement arrangements and been asked whether companies using them could qualify as original off-takers. Common elements in these proposals include:

- Off-take agreements that start after a project has operated as a merchant power plant
- Off-take agreements that are not signed before project commissioning

These conditions imply that the corporate buyer is not the original off-taker, since another company could potentially claim to be using renewable electricity from the project first.

RE100 has deferred to the strictest interpretation of its original off-taker definition in its technical support since publication of the 2022 criteria (meaning that a merchant period disqualifies a company from being the original off-taker).

**To be clear: if a company has not bought and used the first MWhs that a renewable generator generates upon its commissioning or repowering, it is not the original off-taker from it.**

**However, RE100 will consult in 2024 on whether this provision should be relaxed if some contracts are demonstrably instrumental to a project's viability even when a merchant period precedes the off-take.**

### **79. What counts as 'project-specific'?**

This is a term defined in Section One, with supporting guidance in Appendix E.

### **80. What counts as a 'long-term' contract?**

Some questions RE100 has received have explored whether a year-long contract which is renewed could be considered eligible for exemption from the commissioning/re-powering date limit. This assumes the contract is project-specific and that the company is the original off-taker.

Renewable generators need long-term certainty upon their commissioning or re-powering. RE100 would instead put the question back to the company: how does a one-year contract provide a generator with the security it needs?

### **81. How do I report on being the original off-taker through a project-specific contract?**

To report on claims that you make through project-specific contracts you hold as the original off-taker and that are therefore exempt from the facility age limit, **you must provide the following disclosures in C8.2h:**

- Country/area of consumption of purchased renewable electricity (column 1)
- Sourcing method (column 2)
  - Physical power purchase agreement (physical PPA) with a grid-connected generator
  - Financial (virtual) power purchase agreement (VPPA)
  - Project-specific contract with an electricity supplier
  - Unbundled procurement of energy attribute certificates (EACs)
- Renewable electricity technology type (column 3)
  - **No use of a 'please specify' option**
- Renewable electricity consumed via selected sourcing method in the reporting year (MWh) (column 4)
- Tracking instrument used (column 5)
- Country/area of origin (generation) of purchased renewable electricity (column 6)
- Are you able to report the commissioning or re-powering year of the energy generation facility? (column 7)
  - **You must select yes**
- (If yes to column 7) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering) (column 8)
  - **You must provide the commissioning or re-powering year**
- Vintage of the renewable energy/attribute (i.e. year of generation) (column 9)
- Supply arrangement start year (column 10)
  - **This is equivalent to 'operational commencement' and must be equal to the commissioning or re-powering year**
- Additional, voluntary label associated with purchased renewable electricity (column 11)

If a disclosure is missing from any of the above columns or one column does not meet the additional criteria described, RE100 will not exclude the claim from the facility age limit.



## **82. How should we calculate fair market value?**

RE100 cannot itself advise how to calculate fair market value, and would recommend working with a local market expert to assess fair market value. The RE100 guidance uses the concept of 'fair market value' to define principles for considering a renewable generator re-powered, but cannot include a methodology for how fair market value should be calculated.

## **83. Can you endorse my re-powering proposal?**

RE100 does not give company specific advice or endorsements. If your re-powering proposal fits a definition in Appendix C, please move ahead with it.