

What Can White Tags Learn From Green Tags?



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The Bonneville Environmental Foundation

- A 501(c)(3) public benefit organization
- Founded in 1998
- Our dual mission:
 - Supporting clean, domestic, renewable energy development
 - Supporting long-term, science-based watershed restoration

- Our distinction:

We fund our mission by operating a business -- the business of selling renewable energy credits (Green Tags). The net revenues from the Green Tags program makes the foundation self-supporting, from activities that themselves support the mission

- Approximately \$10 million reinvested to date



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Green Tags: A Success Story

Table 1: Estimated Green Power Sales by Market Sector, 2003-2005*
(millions of kWh)

Market Sector	2003	2004	2005	% Change 2004/2003	% Change 2005/2004
Utility Green Pricing	1,280	1,840	2,450	44%	33%
Competitive Markets	1,900	2,650	2,150	39%	-19%
REC Markets	660	1,720	3,890	161%	126%
Retail Total	3,840	6,210	8,490	62%	37%

Source: NREL: Green Power Marketing in the United States: A Status Report (Ninth Edition) November 2006



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How Did The Green Tag Market Succeed?

1997

- California market deregulated and green power products launched
 - Serious issues regarding product integrity arose almost immediately
 - Green-e seal of approval developed
 - Multi-stakeholder process
 - Good Rules
 - Accurate marketing claims
 - No double counting, (including mandated activities)
 - Independent audits
 - Consumer confidence grows



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How Did The Green Tag Market Succeed?

1999

- National Association of Attorneys General Release Environmental Marketing Guidelines for Electricity
 - Pretty much says what Green-e says
 - But now the Elliot Spitzers are paying attention
- I introduced Retail Green Tag to BEF

2000

- BEF launches Green Tags and closes first sales in the U.S.
 - BEF asks Green-e to set national standards for Green Tags



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How Did The Green Tag Market Succeed?

2001

- Green-e announces standards for Green Tags
 - Sales begin the “hockey stick”

2002-2006

- More hockey stick, and
- More hockey stick, and
- More hockey stick



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How Did The Green Tag Market Succeed?

2006

- North East states approve Regional Greenhouse Gas Initiative (RGGI)
 - Caps carbon
 - Voluntary green power and Green Tag industry were mature enough that they could successfully advocate for a model rule that set aside CO2 allowances for voluntary purchases
 - If states adopt the model rule, there is a legal transfer of CO2 to a voluntary customer



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How Did The Green Tag Market Succeed?

2007

- West coast load-based cap and trade almost here
 - Passed in CA
 - Pending in WA and OR
 - Designed to acknowledge renewable energy, Green Tags and the voluntary market



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Conclusions

- Good regulation (whether voluntary or mandatory)...
 - Is *good*
 - Consumer confidence is king
 - Without it, the lack of a meter on many energy saving measures works to your disadvantage
- A credible methodology that is open source works to your advantage
- Good idea to focus on states where conservation tags are recognized by statute
- Don't play fast and loose. Credibility in the voluntary market is the fundamental key to "hockey stick" success



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Thanks!

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Rob Harmon Bio

Rob Harmon serves as Chief Innovation Officer and Senior Vice President for the Bonneville Environmental Foundation (BEF), where he is credited with developing BEF's Green Tag program, which began in 1999. In 2000, Rob developed and launched the first carbon calculator on the Internet, and closed the first large retail Green Tag transaction in the United States. In 2004, Rob was awarded the national Green Power Pioneer Award for his efforts to build a thriving and credible Green Tag market in the United States.

Rob recently contributed two chapters to the book: [Voluntary Carbon Markets: A Business Guide to What They Are and How They Work](#)

Rob has worked in the fields of energy productivity and renewables since 1987. He previously held positions as Vice President of Renewable Energy Programs at BEF, Vice President of Marketing and Business Development for WindLite Corporation and as Business Development Manager for FloWind Corporation.

He has served as the Chairman of the American Wind Energy Association's Small Wind Turbine Committee, and as a member of the California Emerging Renewables Advisory Board. He currently serves on the Board of the Northwest Energy Coalition and is Chairman of the Power Marketers Advisory Committee to Green-e.



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