Student Office of Sustainability Windsource Proposal
Program Contact:

Summary:
This project has the SOS purchasing Renewable Energy Credits from Xcel Energy’s Windsource Program. The goal is to purchase enough RECs to have the new Davies Student Center 100% renewable equivalent.

Windsource:
Windsource is a voluntary program which residential and businesses customers may purchase RECs from Xcel Energy. Windsource has its customers paying a premium for the kWh usage on top of the existing electric rate. This program allows us to meet our renewable electricity goals without installing costly renewable energy technology on campus. Windsource is a 1 year commitment costing $1.37 per 100 kWhs or $0.0137 per kWh.

Where does the money go?:
The $1.37 per 100 kWh premium rate is added onto the University’s utility bill paid into Xcel Energy. Xcel Energy receives no profit on their Windsource Program. The incoming money goes directly to renewable energy projects within Xcel Energy’s service territory. This money does not go to purchasing renewable generation capacity.

What is a REC?:
Renewable Energy Credits (RECs) are tradable instruments that can be used to meet voluntary renewable energy targets as well as to meet compliance requirements for renewable energy policies. A REC is a certificate that represents the generation of one megawatt-hour (MWh) of electricity from an eligible source of renewable energy. RECs represent a claim to the environmental attributes associated with renewable energy generation. RECs combined with plain grid electricity (like Windsource) are functionally equivalent to green power purchases from a local utility, no matter where the REC may be sourced. Purchasers of RECs may make claims about their purchase of green power similar to purchasers of renewable electricity products. A REC is different than Renewable Energy but both come from the same source. Green power sources produce electricity which becomes intermingled on the power grid with conventional power forming the overall power mix for consumer use. Green power sources, unlike conventional power sources, are also allowed to sell Renewable Energy Credits representing the generation of renewable energy. These RECs are sold separately to consumers as a mechanism to support the green power industry.

Benefits of RECs:
RECs help overcome a major barrier to renewable facility development—the fact that the best renewable resources may not be located close to population centers. The sale
of RECs allows these more remote facilities to benefit from support for green power. The price for voluntary RECs can be lower than the premiums for renewable electricity products for several reasons: 1) RECs have no geographic constraints and therefore can provide access to the least expensive renewable resources; 2) the supplier does not have to deliver the power to the REC purchaser with the associated transmission and distribution costs; 3) the supplier is not responsible for meeting the purchaser’s electricity needs on a real-time basis.; and 4) REC prices reflect greater competition because RECs are fungible in a voluntary market. REC purchases go to supporting and increasing the amount of renewable electricity in the overall power mix.

**Drawbacks of RECs:**
The infrastructure sources producing the green power and RECs are often not local. RECs have no physical infrastructural presence at the source. RECs provide no meterable amount of renewable energy to the purchaser only a claim to an amount of renewable supply.

**Future Programs:**
This program has a 1 year contract with Xcel Energy and will therefore have to be reviewed and renewed each year by the SOS and Student Senate. Adjusting the price may be necessary as the real kWh usage numbers are recorded in the new Davies Student Center.

**Program Outreach:**
Since this program has little physical awareness in terms of renewable energy infrastructure yet we are making the claim that the new Davies Student Center is 100%, an outreach program is required to highlight the existence and benefits of Windsrouce. Xcel Energy has agreed to donate a sculpture from the Eau Claire Sculpture Tour called the Spirit of Energy.

**Calculations 2012-2013:**
$0.0137 per kWh Annual estimated usage in New Davies is 1,107,572 kWh / year
UW System purchases 9.93% (2010) renewables for the entire UWEC kWh usage Need to purchase 90.07% Windsource 90.07% of 1,107,572 kWh = 997,590.10 kWh
997,590.10 kWh * $0.0137 / kWh = $13,666.98

**Calculations 2012-2013:**
UWEC has received four bills (November – February) each the same:
Customer Charge $155.00
Windsource Program (61,200 kWh @ 0.013700) $838.44
TOTAL EACH MONTH $993.44
2012-2013 resolution projected $13,667.
The amount we are currently being charged times 12 will come to **$11,921.28.**
Budget Notes:
This amount will be taken out of the 2013-14 SOS budget. Wisconsin Act 141 directs the Department of Administration (DOA) to set goals for the use of renewable energy by the six state agencies including the University of Wisconsin System that consume the majority of electricity purchased by the state. “The individual agency goals shall be designed to accomplish the overall goal that, by the end of 2007, 10% of the electricity purchased by the state be derived from renewable resources and, by the end of 2011, 20% be derived from renewable resources.” Data has not been released to confirm the implementation of this mandated increase to 20% renewable resources in 2011.

Total 2013-14 Program Cost: $11,921.28