



Solar Energy Solutions LLC

SRECs - Solar Renewable Energy Credits

Whats an SREC?



An SREC is a solar specific renewable energy certificate. Most utilities now offer customers the opportunity to buy “green” or renewable energy on monthly bills at a slight premium when compared to traditional coal-fired rates. What the utility is actually selling is not a different form of energy, they are selling a REC – or the right to claim use of 1,000 kilowatt-hours of that renewable energy. Utilities will buy RECs from a renewable source, say a hydroelectric dam or solar, even though the utility may not be buying the actual energy generated by that facility. The energy generated by the facility may enter the electric grid and go straight to the building next door. The right to claim use of that renewable energy, however, is sold with the REC.

Can I Generate SRECs?

Anyone who installs a grid-tied photovoltaic array will generate SRECs! In Ohio & Kentucky, each kilowatt (kW) of installed solar capacity will translate into 1.2 SRECs per year. Even a 0.5 kW residential array will produce an SREC every other year. To sell SRECs, however, it is necessary that you register with Ohio and a tracking entity like GATS or MISO. These overarching organizations prevent SREC fraud. See Solar Energy Solutions for help registering your system.

What Are They Worth?

At present, SRECs are purchased by utilities in states with renewable portfolio standards. These utilities face penalties if at least x% of their energy production is not met via renewable energy. In general, SRECs trade slightly under the value of these penalties. At present, that value is around \$300 on the open market. Some SREC purchasers offer \$200-250 per SREC for 5 year contracts.



Should I Sell My SRECS?

Choosing to sell SRECs is a highly personal decision. Some SREC owners may prefer to use SRECs themselves - each SREC utilized is 1 MWh less fossil fuel burned. Other owners view the opportunity to sell SRECs as an opportunity to realize faster system payback, spur the growth of the renewable energy industry, and discover more funding with which to invest in future solar arrays.

How Do I Sell My SRECS?

Let Solar Energy Solutions know you are interested. We will help you get your system registered and then put you in touch with an SREC aggregator (purchaser).

(877) 312-7456

www.sesre.com