



CASE STUDY TITLE

The Impact of Standards on Corporate Renewable Energy Procurement: A Case Study with Bank of America and Green-e® Energy

SUMMARY

As one of the largest corporate renewable energy purchasers in the United States (U.S.), Bank of America has been in the top 10 of the U.S. Environmental Protection Agency's (EPA) 'National Top 100' list since 2018. This list, administered by the EPA's Green Power Partnership, ranks the largest corporate and municipal renewable energy purchasers in the country. Since 2019, Bank of America's portfolio included renewable energy certificates (RECs) that were certified by Green-e® Energy, the leading certification program in North America for renewable energy in the retail ('voluntary') market.

Green-e® Energy program participants adhere to a publicly available standard that is regularly updated using an open-stakeholder feedback process. This Green-e® Renewable Energy Standard for Canada and the United States (the 'Green-e® Standard') sets forth requirements for best practices in renewable energy sale and procurement. The program also ensures that participants are accurate and transparent in their marketing and communications outreach.

Bank of America has committed to purchasing Green-e® certified RECs to meet its 100% renewable energy goals. The company has started installing onsite solar at various U.S. sites, and is signing long-term power purchase agreements (PPAs) and other deals that contribute to the addition of renewable capacity onto the grid.

In using the Green-e® Standard to guide its procurement, Bank of America sets an example for companies looking to make meaningful, lasting contributions to renewable energy expansion in North America.

AT A GLANCE

COUNTRY

- United States of America

LEVEL

- National

SDG ADDRESSED

- SDG 7 - Affordable & Clean Energy

BACKGROUND

Since 1997, Center for Resource Solutions' Green-e® Energy program has certified clean energy sold to consumers and businesses in the retail market, and more recently has begun certifying bilateral transactions, including PPAs. In 2020, Green-e® Energy certified more than 2.5% of the U.S. electricity mix. The Green-e® Standard is the primary governing document outlining renewable resource eligibility and product specifications for RECs and bundled renewable electricity that can be sold to end users through a Green-e® certified product. It sets requirements that RECs must be generated from new resource-eligible facilities,





BACKGROUND

marketed with complete transparency and accuracy, and retired on behalf of the purchaser. The Green-e® Standard is reviewed and updated periodically by an independent Governance Board consisting of key stakeholders in the industry, and regular open-stakeholder review periods are held to ensure it remains current.

Bank of America, a Fortune 100 financial institution, has chosen to purchase Green-e® certified RECs to match 100% of its North American operations. In 2016, the bank announced a commitment to reach carbon neutrality and source 100% of electricity from renewable sources by 2020. In 2019, the bank reached these goals by reducing emissions by 56% since 2010, then sourcing renewable electricity and purchasing carbon offsets for the unavoidable emissions.

STRATEGY

The bank has established a portfolio approach to renewables that leverages a variety of mechanisms. It is installing onsite solar at owned sites across the US, providing tax equity along with long-term REC agreements to add owned offsite generation to the portfolio, completing physical PPAs to add new renewables where they operate, supporting small projects in key states through long-term agreements for RECs, participating in green tariffs where they support new renewables, and filling in with unbundled RECs globally. 'Our goal is to purchase 100% renewable electricity in an efficient manner, while maximizing positive environmental impact by implementing new, innovative renewable energy generation,' said Beth Wytiaz, Bank of America's Global Environmental Operations Manager.

When Bank of America purchases unbundled RECs in North America, it requires they be Green-e® certified to ensure the renewables are generated from high-quality resource types, and the RECs are accurately retired and reported. The RECs that Bank of America sources are from U.S. wind and solar generation. The company also signed a long-term Green-e® contract, ensuring the procurement of Green-e® certified RECs in North America for years to come.

RESULTS & IMPACT

In 2019, Bank of America realized its carbon objectives a year ahead of schedule; with its renewable purchases—including 550MW in the contract—constituting a significant part of that achievement. That year the company purchased enough Green-e® certified RECs to match 100% of its North American operations, including retail locations, ATMs, data centres, and corporate offices. This amounted to more than 1.7 million megawatt-hours (MWh) of renewable generation, equivalent to the energy consumption of over 150,000 U.S. households.

Bank of America continues to look for unique opportunities to enhance the impact of its purchasing. In 2020, the financial institutions announced support for eight small solar projects across the Carolinas, signing 10-year agreements to help make these projects possible. Each of the projects is new, in low-to-moderate-income communities and will install pollinator habitats to support local ecosystems and drive biodiversity. The bank is focused on enhancing the social and environmental benefits of its projects where possible.





CHALLENGES & LESSONS LEARNED

Developing and executing a strategy around renewables can be challenging. It is a complex industry that requires knowledge and staying up to date. I recommend to anyone starting down this path to take time to really understand the market and the various mechanisms available. From there, a comprehensive strategy and hierarchy can be developed on how to execute it.

It is also crucial to identify the key internal stakeholders that will need to sign off on this strategy and start educating them in advance (and often) to ensure understanding and support.

POTENTIAL FOR REPLICATION

Establishing a 100% renewable energy goal is an increasingly popular strategy in corporate sustainability. However, it is important to gain understanding of the market and utilize resources like Green-e®. The certification program can help ensure the renewable energy businesses are purchasing is not double-counted and is coming from approved resource types that have a relatively low environmental footprint. By following Bank of America's lead in procuring renewable energy that adheres to the Green-e® Standard, businesses of all sizes can be confident they are adhering to best standards in renewable energy purchasing.

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