

## EXPERT COMMENTARY

Nationally recognized environmental standards have the capacity to play a significant role in achieving the Sustainable Development Goals (SDGs). While many organizations want to do their part to achieve sustainable development, many lack the resources and expertise to fully evaluate the most impactful actions in each development area. By providing nationally recognized methodologies that incorporate best practices, established by relevant stakeholders, standards bodies can leverage their expertise to help companies take meaningful actions. Therefore, standards act as a catalyst that enables small and medium-sized enterprises (SMEs) to achieve the Sustainable Development Goals.

The Green-e® Renewable Energy Standard for Canada and the United States (hereafter referred to as the 'Green-e® Standard') was developed by the nonprofit Center for Resource Solutions (CRS). With the support of leading stakeholders in the renewable energy field, the standard was developed with the goal of setting standardized criteria for renewable energy sellers in the retail 'voluntary' market. It began from a need for quality assurances and consumer protection for the then-nascent voluntary renewable energy market, where renewable energy certificates (RECs) were a new, intangible environmental commodity created to track renewable attribute purchases and claims.

Since then, the Green-e® Standard has become North America's leading standard for clean energy purchasing and certification. Its success has helped to create a new market, wherein it now drives the development of renewable energy to meet voluntary demand. Its impact is a result of the robust quality assurance and consumer protection measures incorporated into the certification, which ensure that the certified renewable energy SMEs purchase meets the highest quality criteria, maximizing its impact.

The Green-e® Standard was developed according to best practices, including the establishment of an independent governance board comprising industry experts who guide ongoing updates to the standard and ensure it continues to define the most environmentally preferable options available in the retail market. The standard ensures a 15-year age limit on renewable generators so voluntary purchasers can support newer generations and help grow the market. There is also transactional oversight, as each Green-e® seller is audited by an independent third party to ensure they are delivering what was promised to their customers and using transparent, accurate consumer-disclosure practices.

The use of the Green-e® Standard has steadily grown over the years as the demand for high quality, certified renewable energy has increased. In 2020, retail sales certified by Green-e® Energy reached over 90 million MWh, representing a total of 2.5% of the total U.S. electricity mix, or enough to power four out of five U.S. households for a month. Almost half of the installed wind capacity in the U.S. is participating in Green-e® Energy certified transactions, and 2020 saw over 6.6 million MWh come from solar generation, over 7% more than 2019. In 2020 there were over 1.4 million retail purchasers of Green-e® certified renewable energy, including over 104,000 businesses. As climate commitments continue to drive corporate renewable energy purchasing, we foresee continuous growth in the use of the Green-e® Standard.

One of the benefits of widely adopted environmental standards is their potential to catalyze progress on the part of organizations of all sizes on sustainable development goals, contributing to the overall mission of Agenda 2030. For example, implementation of the Green-e® Standard in the U.S. contributes primarily to Goal 7: Affordable and Clean Energy by encouraging the development of new, high-quality renewables.



## EXPERT COMMENTARY

In addition, the standard indirectly contributes to Goal 13: Climate Action by displacing traditional fossil-fuel generation.

CRS also administers a separate certification and standard for greenhouse gas emission reductions—the Green-e® Climate Standard, a quality and chain-of-custody certification for carbon offsets. The Green-e® Climate program provides critical retail protections and assurances for buyers, sellers, and project standards, including guidelines for product marketing and overall quality. In 2019, Green-e® Climate certified an all-time high of almost 787,000 tons. Increased demand for certified offsets highlights the intersection of standards such as Green-e® Climate and sustainable development goals.

Leveraging standards at the national level takes recognition, support, and space in the overall conversation about sustainable development. If standards receive support by respected governmental organizations, they are more likely to receive implementation. For example, the U.S. Environmental Protection Agency (EPA) supports third-party certification, and its Green Power Partnership program has cited the Green-e® Standard as an environmentally preferable option. Green-e® is referenced in other multi-attributational certifications, which has proven as another way to promote these best practices to SMEs' sustainable development goals. For example, Green-e® is referenced in the US Green Building Council's Leadership in Energy and Environmental Design (LEED) certification, the Green Electronics Council's (GEC) EPEAT ecolabel program for IT products, and the Association for the Advancement of Sustainability in Higher Education's (AASHE) Sustainability Tracking, Assessment & Rating System (STARS) program. Referencing the Green-e® program in these certifications can expose new organizations to the certification and can leverage these established best practices around voluntary renewable energy procurement without having to recreate additional requirements.

National standards level the playing field by giving all organizations access to best practices established by the experts, giving market participants confidence in their purchase and encouraging further climate action. Standards also leverage voluntary demand and private investment for climate mitigation. They give credibility to actions that fill the gap between what's required by law, and where we need to be in terms of sustainability. Finally, standards can inform the development of future regulatory programs, driving impact in state and federal policy. By impacting such a wide range of both corporate and governmental decision-making, standards have an important role to play in the future of sustainable development achievements.

**EXPERT COMMENTARY DEVELOPED BY:**  
**Miranda Domico**  
**Senior Analyst, Certification Programs**  
**Center for Resource Solutions**

