

## **PMM ENERGY SUPPLIER CLARIFICATIONS**

### **1. What does “renewable” mean to the supplier?**

The PA Public Utility Commission defines renewable energy as energy being generated by one of the following methods: solar photovoltaic, solar thermal, solar hot water, geothermal energy, wind, hydro and biomass (though biomass is not considered to be a “green” energy). Waste incineration is not included in their definition.

### **2. Does the supplier’s energy mix include nuclear or fossil fuels?**

Most renewable suppliers are also generating their own electricity. This question asks what type of energy does the supplier generate - does it include nuclear and fossil fuels

### **3. Does the supplier provide renewable energy by buying and retiring Renewable Energy Credits (RECs) or by buying directly from a renewable energy generator?**

All energy suppliers supplying electricity to customers in Pennsylvania buy Renewable Energy Credits (REC) as part of their business. This is due to the Alternative Energy Portfolio requiring suppliers to supply a minimum percentage of the overall amount of electricity they supply as renewable energy. A REC is created when a generator generates 1 Megawatt hour of electricity. Most renewable suppliers use language such as “We purchase and retire RECs to offset 100% of your electricity usage.”

### **4. Is net metering before or after contract signing a concern?**

Net metering is used when residents or small businesses install, for example, solar photovoltaic cells on their property to generate their own clean, renewable electricity. The owner uses some of the electricity directly as it is being generated. Normally, the unused electricity goes into the grid and the owner would get credit for the energy sent into the grid. At night and on very cloudy days, the owner supplants the solar energy by getting energy from the grid. In net metering, the owner gets credit for the energy sent into the grid; without net metering, no credits are provided for the energy sent into the grid. PECO provides the credits in our area. PECO stipulates that if you change energy suppliers (i.e., use a supplier other than PECO’s supplier) PECO will not provide credits for the energy that your system generated and that was put into the grid. If you have renewable energy installed on your property, you need to check with your potential new supplier to determine if net metering is allowed with that supplier.

### **5. Can the price change during a fixed rate contract?**

You would think a fixed rate contract would have the same rate for the life of the contract. However, under circumstances beyond the control of suppliers, the price in a fixed rate contract may change due to new laws, regulations, tariffs, etc.

### **6. Right of rescission?**

Everyone in Pennsylvania has the right to rescission, to change your mind, about signing up with a new energy supplier - you have three days to change your mind without penalty.

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**7. Is the supplier licensed by the PUC?**

All energy suppliers listed on the PA PowerSwitch web site are licensed by the PA Public Utilities Commission.