**Please make sure to read all of this material as well as any additional material including your contract, disclosures, and other material provided by your project sponsor carefully so that you will fully understand your rights, obligations, and risks before signing any agreement. You may also find additional information about this program and other programs at** <https://www.maine.gov/mpuc/electricity/renewables/>**.**

***This disclosure document is provided to you to give you information about the Renewable Energy Credits (RECs) associated with your share of a Shared Distributed Generation project.***

**Your project sponsor is also required to provide a separate, customized disclosure to you outlining the details of the proposed project, including the risks and rewards to you from participating in the project.**

*Background: In 2019, the Maine Legislature passed legislation to encourage the development of community solar and other small renewable energy projects by allowing Maine electricity consumers to share in the costs and benefits of such renewable projects. One of the programs established by the Legislature is the* ***Shared Distributed Generation*** *Program. Under this program, an electricity consumer may purchase a share in (or “subscribe to”) a portion of a community solar or other small renewable generation project. The consumer’s portion of the output of this project will be reflected as a* ***credit******(in dollars)*** *on the consumer’s monthly electricity bill.*

**GENERAL INFORMATION ABOUT RECS**

* **What are Renewable Energy Credits (RECS)?** All renewable generation projects have associated “Renewable Energy Credits” (RECs) that are credits or certificates that represent the renewable attributes of the energy. RECs are used to ensure that the electricity sold in Maine meets the environmental targets set forth by the Legislature. The RECs may be sold separately from the actual energy. Each megawatt hour (MWh) generated by a renewable energy facility produces one REC.
* **Are all RECs the same?** No. Classifications of RECs vary by the type of the generation (e.g., solar, wind, biomass), the age of renewable energy projects (new, existing, refurbished) and by state. Please see <https://www.maine.gov/mpuc/electricity/RPSMain.htm> for more information on the different requirements for Maine RECs.
* **What kind of RECs does my project produce?** The project you are participating in uses a renewable fuel or technology that qualifies for Maine’s renewable programs pursuant to Title 35-A §3210(2)(B-3). Your project may qualify under other states’ renewable programs, as well.

**INFORMATION ABOUT THE RECs FROM YOUR PROJECT**

* **What happens to the RECs produced from my project?** Under the Shared Distributed Generation program, the generation (or energy) from your project is sold to the Standard Buyer, which is usually your utility company, and you receive credits on your electric bill for your share of the facility’s generation. The RECs associated with your share of the project will be sold along with the energy to the Standard Buyer.
* **What is the effect of selling my share of the RECs?** While your participation in a Shared Distributed Generation project may help support the development of your project -- for example, through the financial support you and other subscribers would provide -- selling the RECs from your share of the project means you will not be offsetting your electricity usage with renewable generation. Your share of the RECs would be used to offset someone else’s electricity usage, not yours.
* **Can I choose to keep my RECs?** The RECs from your project are being sold as part of the Shared Distributed Generation program. However, if your share of a Shared Distributed Generation project is less than 25 kilowatts, you may choose to purchase RECs of a substantially equivalent type and quantity equal to your share of the RECs, at a price of 80% of the market value of those RECs. For more information, see <https://www.maine.gov/mpuc/electricity/renewables/dg/recpurchase>.
* You may also make voluntary purchases of RECs from the REC market (For more information and examples see <https://www.nrel.gov/analysis/green-power.html>, <http://buycleanenergy.org/find-recs>).

***Please note that Project Sponsors are not public utilities and their activities are not subject to the same regulation and oversight by the Maine Public Utility Commission (MPUC) as public utilities. Please also note that any contract with a Project Sponsor will not replace your obligations as a customer of your utility*** ***and any fees paid to a Project Sponsor are separate from payments and obligations you have as customers of your utility.***

**If you have questions or want more information on the Distributed Generation REC Purchase program, see the MPUC’s website at** [**https://www.maine.gov/mpuc/electricity/renewables/dg/recpurchase**](https://www.maine.gov/mpuc/electricity/renewables/dg/recpurchase)**. You may also find additional information on Maine’s renewable generation programs at** [**https://www.maine.gov/mpuc/electricity/renewables/**](https://www.maine.gov/mpuc/electricity/renewables/) **and MPUC Rule, Chapter 312 at (**[**http://www.maine.gov/sos/cec/rules/65/407/407c312.docx**](http://www.maine.gov/sos/cec/rules/65/407/407c312.docx)**) or by calling the MPUC at 1-800-452-4699.**