Electricity Purchasing

• Deregulation/Choice – 1998

• Goals/Objectives
  – Rate stability & budget predictability
  – Market responsiveness

• Harvard Dedicated Energy Limited (HDEL)
  – Allows access to the wholesale energy market
  – ISO-NE (NEPOOL) membership
  – FERC license
Electricity & GHG Emissions

• Harvard’s goal – 30% GHG reduction by 2016 over 2006 levels.

• Electricity represents 52% of GHG footprint.

• Harvard’s strategy –
  – Demand Side Management-Energy Efficiency
  – Renewable Installations
  – Renewable Energy Purchases (Electric Supply label)
  – Carbon Offsets

• A 1% renewable purchase = ½ % GHG reduction.
Renewable Purchasing Strategy

• Regulatory requirements
  – Must meet Massachusetts Renewable Portfolio Standard.
  – 12% of our 2009 electricity must be renewable.
    • RECs (Renewable Energy Credits) only
    • RECs + Energy
  – Harvard uses both.
Renewable Purchasing Strategy

• Voluntary RECS: bought solely to reduce the carbon footprint.
  – RECs only or RECs + energy
  – Can buy them locally or from another locale
  – Harvard buys some
    • Primarily to meet LEED® requirements
    • Usually buy RECs only
  – In future, most purchases will be RECs + energy
Stetson II Wind Purchase

- Includes RECs and Energy through 2025, with an option for a 5-year extension.
- Buy 50% or 12.5 MW.
- Primarily to meet future regulatory requirements.
- Meets electricity purchasing portfolio requirements by providing significant flexibility in how we use the RECs in the future.
Other Renewable Sources

• Hydro purchases
• Solar installations
  – 500KW installation at Arsenal
  – Small campus installations
• Wind
• CHP at Blackstone
• Solar hot water – various locations
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