how to buy sustainably sourced renewable electricity for your business

This handbook was produced in partnership with Julie's Bicycle.
what is sustainably sourced renewable electricity?

A Renewable Guarantee of Origin is created for every 1 megawatt hour of renewable power generated — in order to track its source.

- **Sustainable Electricity Company**
  - Invests in their own renewable generation assets
  - Invests in other renewable generators by paying them a fair price for their power

- **100% Renewable Electricity and Guarantees of Origin are Bundled Together**

- **Reassurance that your business is supplied with power matched back to specific UK renewable sources**
buying renewable power is one of the biggest things your business can do to help combat climate change. So how can you be sure you're buying a sustainably sourced supply?
Every year UK electricity suppliers have to publish the fuel sources used to generate the electricity they sell. This is known as the fuel mix disclosure and always covers the period 1st April-31st March. It should be easily available on a supplier's website, or by just asking them.

**Best practice** – buy from a supplier who only offers 100% renewable tariffs.

**Why?** Because you have greater confidence that they’re not purchasing from or supporting fossil fuel generators.

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**100% renewable fuel mix**

- The power comes from renewable sources only
- The disclosure shows figures for each renewable generation type
- The power comes from a diverse range of sources

**Renewable & non-renewable fuel mix**

- The power comes from fossil fuels as well as renewable sources
- Not immediately obvious what the renewable sources are

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<table>
<thead>
<tr>
<th>Source</th>
<th>CO₂ emissions per kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind</td>
<td>0</td>
</tr>
<tr>
<td>Biogeneration</td>
<td>0</td>
</tr>
<tr>
<td>Hydro</td>
<td>0</td>
</tr>
<tr>
<td>Solar</td>
<td>0</td>
</tr>
<tr>
<td>Renewables</td>
<td>198 grams</td>
</tr>
<tr>
<td>Nuclear</td>
<td>15%</td>
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<tr>
<td>Coal</td>
<td>4.6%</td>
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<tr>
<td>Natural Gas</td>
<td>36.7%</td>
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Every unit of renewable power a supplier sells needs to be backed up with a guarantee of origin. This is what supports their annual fuel mix claim to OFGEM. How a supplier gets these guarantees of origin determines how sustainably they source the power they sell you.

**Best practice** – buy from a supplier who has UK Renewable Guarantees of Origin for the power they sell that can ALL be matched to assets they own or assets they have agreements with.

**Why?** Because you can be more confident that the power you’re buying is supporting the growth of independent UK renewable generation.
check how a supplier matches renewable supply with customer demand

Checking how a supplier matches their renewable power supply with their customers' electricity demand will demonstrate that they know where your power originates at any given time.

A supplier receives Guarantees of Origin (REGOs) from renewable generators on a monthly basis as they’re created by OFGEM to cover the renewable power that’s been purchased.

Any excess REGOs at the end of the year are retired rather than traded with other energy companies.

Supplier has no process in place to match in real-time.

Supplier calculates how much power has been supplied over the past year to customers and buys the number of Guarantee of Origin certificates needed from the open market to claim this power as renewable.

Best practise – buy from a supplier that actively looks to match their customers’ usage to purchased sources of renewable power on a regular basis.

Why? A sustainable system should look to maintain a balance between renewable supply and demand. Not use an accounting trick to just claim power is renewable.
how sustainably sourced is your renewable power?

The model below details various attributes that help determine how sustainable a supplier’s electricity sourcing is.

**Most sustainable sourcing**

- Invests in their own renewable generation sites in the UK
- Has power purchase agreements (PPAs) in place with independent UK generators
- Matches ALL the power customers use to renewable generation they own or buy from in the UK
- 100% renewable electricity tariffs only

**Least sustainable sourcing**

- Sells electricity sourced from non-renewable fuels alongside renewable options
- Buys power from the wholesale market, sells it as renewable and then separately purchases certificates of origin to cover it

You can check how sustainable your supplier’s sourcing is by asking them these questions:

1. Have you invested in your own renewable sites? **Y**
2. Do you have PPAs in place with renewable generators? **Y**
3. How much of your power supply is matched to UK renewable generation you own or have PPAs with? **Not all**
4. Is your current annual fuel mix disclosure 100% renewable? **Y**
5. Do you procure renewable guarantees of origin separately to the power you buy? **N**

**Energy**

- Good energy (if all answers are 'Y')
- Good energy (if any answers are 'Y')
- Not all (if any answers are 'N')
- Good energy (if any answers are 'N')
- Good energy (if any answers are 'N')
Interested in finding out more?
Please get in touch – we’d love to hear from you.

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