



# ENABLING SOLAR ACROSS THE SUPPLY CHAIN:

REI'S INITIATIVE TO EXPAND  
ACCESS AND DRIVE LOCAL IMPACT

December 10, 2024



# Speakers and Agenda

- Speakers:
  - **Bailey Rosen**, Program Manager, EPA's Green Power Partnership
  - **Jay Creech**, Renewable Energy Manager, REI
  - **Mackenzie Spivey**, Sustainability Manager, Nester Hosiery
  - **Susanne Fratzscher**, VP, Strategic Solutions, Sol Systems
- Agenda:
  - Webinar Logistics
  - About the Green Power Partnership
  - REI's Green Power Strategy
  - Nester & REI's Joint Procurement in North Carolina
  - Sol Systems' Bilateral vs. Programmatic Approach to Green Power
  - Q&A

# Webinar Logistics



Resources shared by Presenters

- The webinar will be recorded and available on the EPA website
- All attendees will be muted upon entering the webinar
- Please submit questions in the Q&A box
- If we are unable to answer all of the questions, we will follow up with you separately
- If you are experiencing any technical difficulties, please send a message through the Q&A box or contact [kyra.hall@erg.com](mailto:kyra.hall@erg.com)



# What is the Green Power Partnership?

- The U.S. EPA's Green Power Partnership is a **voluntary leadership** program for organizations using green power.
- **We seek to:**
  - Reduce U.S. GHG emissions.
  - Expand the voluntary green power market.
  - Standardize green power procurement as part of best practice environmental management.
- **We provide Partners with:**
  - Technical assistance and tools on procuring green power.
  - A recognition platform for organizations using green power.





# Program Resources



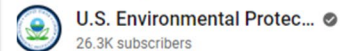
## Renewable Electricity Procurement for Use of Sold Products



September 2024



### RECs: Making Green Power Possible



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923



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NOTE: If you need captions, please click the CC button on the player to turn them on.

Renewable Energy Certificates, also known as RECs, represent the environmental and other non-power attributes. [Show more](#)



February 2018

## Offset

### Introduc

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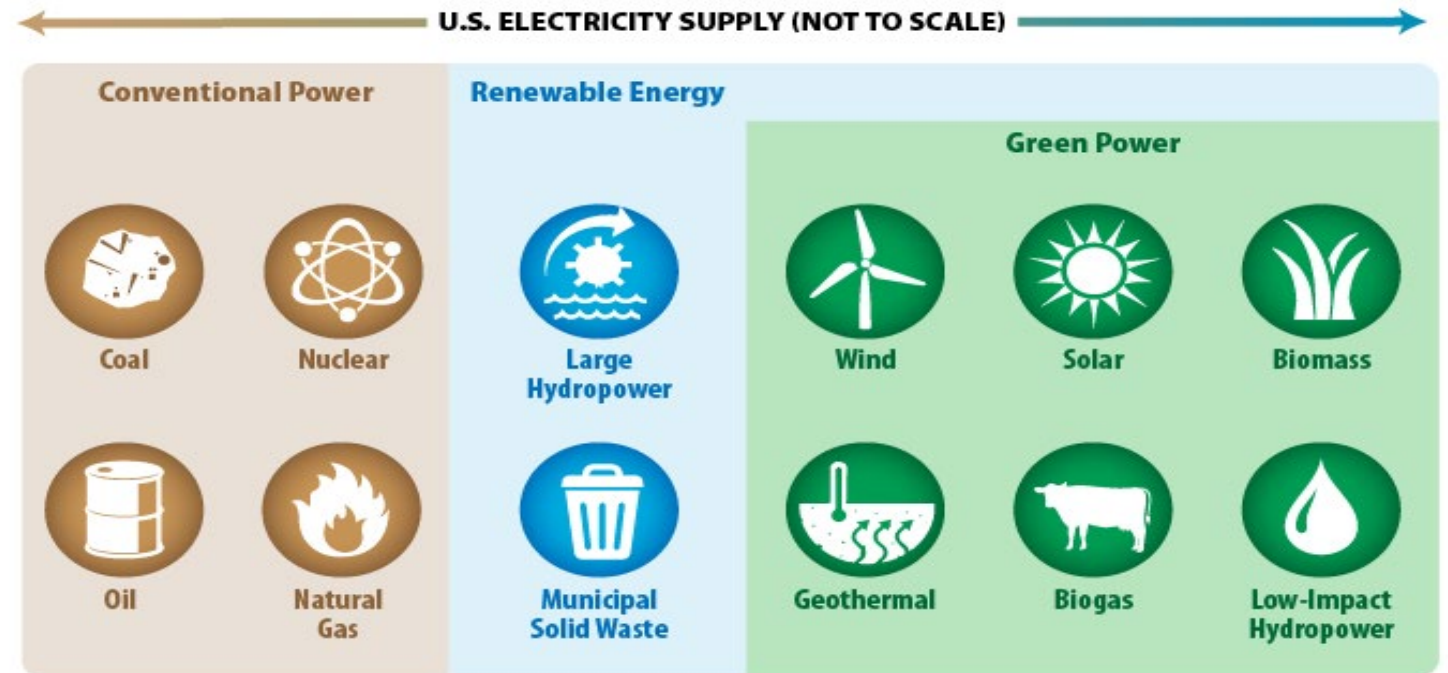
Consumer E  
Claims



May 2022

# What is Green Power?

- **Green power** is a subset of renewable electricity and represents those renewable energy resources and technologies that provide the highest environmental benefit.
  - Meets national standards for product quality and content
  - Green Power is specific to the “voluntary market” and is driven by consumer preference rather than by policy mandate
  - Is generation that is incremental to what is required by mandate
- **Renewable Electricity** is a broader category and includes some resources and technologies that have significant impact on the environment.



# Green Power Supply Options

## Retail Options

Unbundled Renewable Energy Certificates (RECs)

Competitive Products

Utility Products or Programs

Community Choice Aggregations (CCAs)

## Project-Specific

Self-supply

Physical PPAs

Shared Renewables

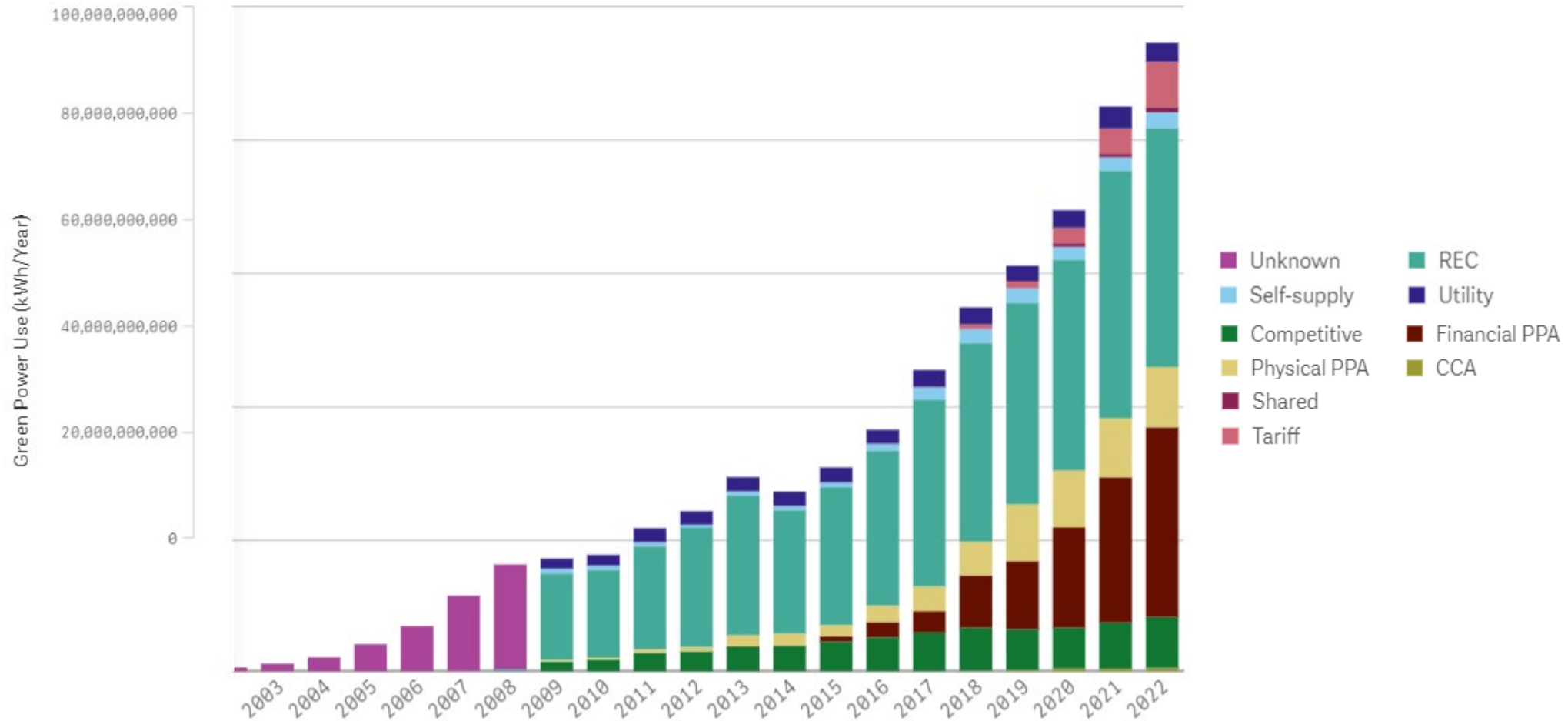
Utility Green Tariffs

Financial/Virtual PPAs



# GPP Partner Supply Options

Green Power Use by Supply Option by Collection Year



# Emerging Market Trends

✓ Emphasis on impact (local grid & communities)

✓ Procurement granularity (time & location)

Data management and transparency

Evolution of reporting

Updates to GHG accounting

✓ Scope 3 / value chain engagement

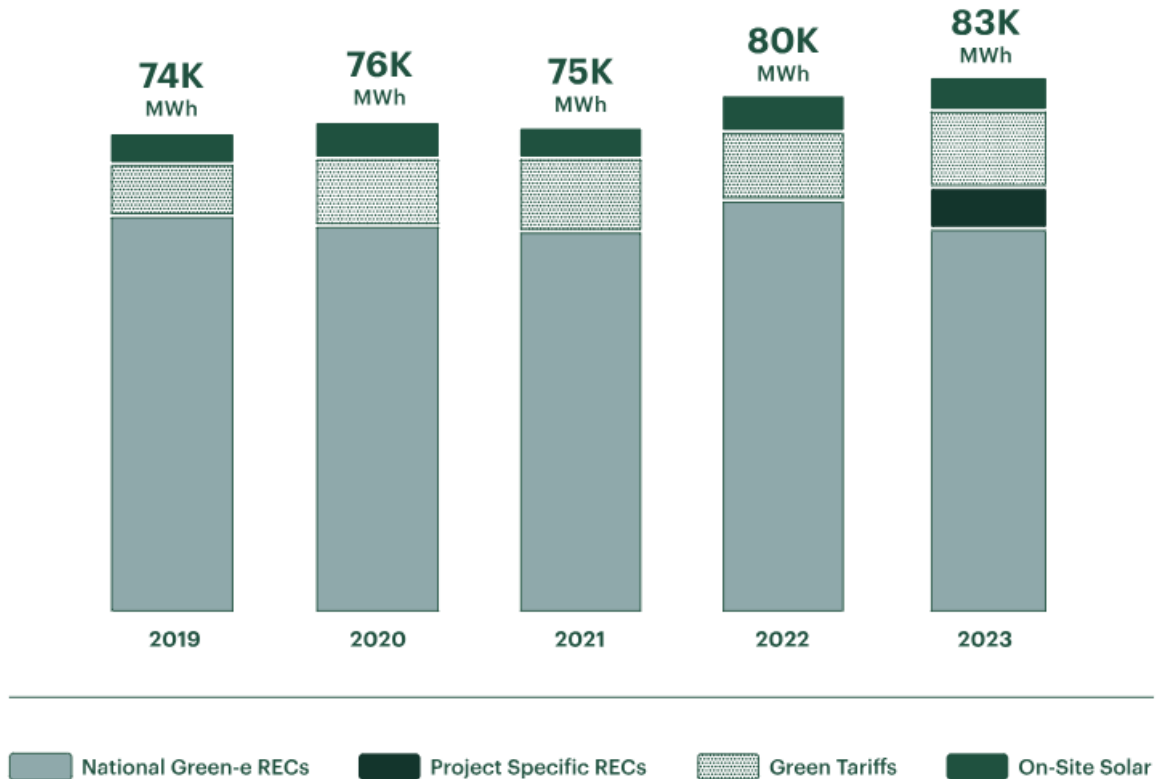


# Renewable Energy at REI

- REI is the nation's largest consumer co-op with over 181 locations in 41 states and the District of Columbia
- REI recently celebrated its 10-year anniversary of 100% renewable power with a commitment to making renewable energy more local and more accessible
- **More local:** Making, creating, and embracing local partnerships with utilities and community members – including work on:
  - Puget Sound Energy's Green Direct program,
  - On-site solar, and
  - Engagement on projects that will create benefits for communities in which we operate
- **More accessible:** REI values transactions that increase access. This means recognizing barriers that small and medium sized customers face such as:
  - Significant volume requirements,
  - Complex risk management, and/or
  - Price uncertainty

REI believes in the importance of supporting simplified transactions with shorter term lengths or decreased volumes.

2019-2023 REI Electricity Consumption from Owned and Operated Buildings



# What does local and accessible renewable energy look like?

- **A fixed-price and short-term contract from specific local solar project to support REI stores in the Carolinas:** REI worked with Sol Systems to procure RECs from a nearby solar project in North Carolina. REI also worked with Nester Hosiery, a longtime supply chain partner with a strong commitment to sustainability that had faced barriers to impactful renewable energy transactions.
- **A smaller scale solar project to support REI's newest distribution center:** REI worked with Clearloop to develop a solar project local to REI's newest distribution center in Lebanon, TN. The transaction is accessible because of its smaller project size that energy customers of any size can replicate.
- **A smaller, shorter-term, more accessible transaction:** REI contracted with Ever.green to support a new-build more accessible solar project that is about 1/100th of a typical corporate renewable energy project.

## *Further, Faster, or Together?*

*If renewable energy is a race, then hourly matching and location matching are great progressions that ask the question "How do we run further or faster?" We are framing this question differently, asking ourselves "How do we get more people running?" We're focusing on making impactful renewable energy available to buyers of all sizes.*



*REI, Nester, and Sol Systems visiting the solar project in NC*



*Aerial photo of rooftop solar on REI's newest distribution center in TN*



## MACKENZIE SPIVEY

SUSTAINABILITY MANAGER

 **NESTER HOSIERY, LLC**

- Making socks for the World's toughest critics.
- Leading U.S. Manufacturer of Wool Socks.
- The company behind the all-American brand Farm to Feet





## MACKENZIE SPIVEY

NESTER HOSIERY LLC | SUSTAINABILITY MANAGER



### NESTER'S RENEWABLE ELECTRICITY STORY

- ⚙ In 2023, partnered with REI and Sol Systems for a multi-year REC purchase for 100% of our manufacturing electricity consumption
- ⚙ Sourcing from a local solar farm about 1 hour from our facility
- ⚙ ~5,300 MWh of electricity annually
- ⚙ 70% reduction in combined Scope 1&2 emissions



# REI / Nester / Sol Systems Video

REI  
CO-OP

SOL SYSTEMS

N

Tell your sustainability story  
Engage your stakeholders and partners  
Create local impact through solar energy









# **BILATERAL VS PROGRAMMATIC APPROACH TO GREEN POWER**



# Sol Systems – Sustainable Solutions Platform

One-stop-shop for tailored **Infrastructure + Impact™** solutions for corporate customers

			
<b>Infrastructure Development</b>	<b>Infrastructure Finance</b>	<b>Environmental Commodity Mgt.</b>	<b>Retail Business</b>
5GW Pipeline	\$1.5B in AUM	380+MW in AUM	40,000+ Customers
Onsite & Offsite VPPAs	Tax Equity Investment / Fund & Asset Mgt	(S)REC & LCFS Management Services	SREC Aggregation & REC Retail Sales

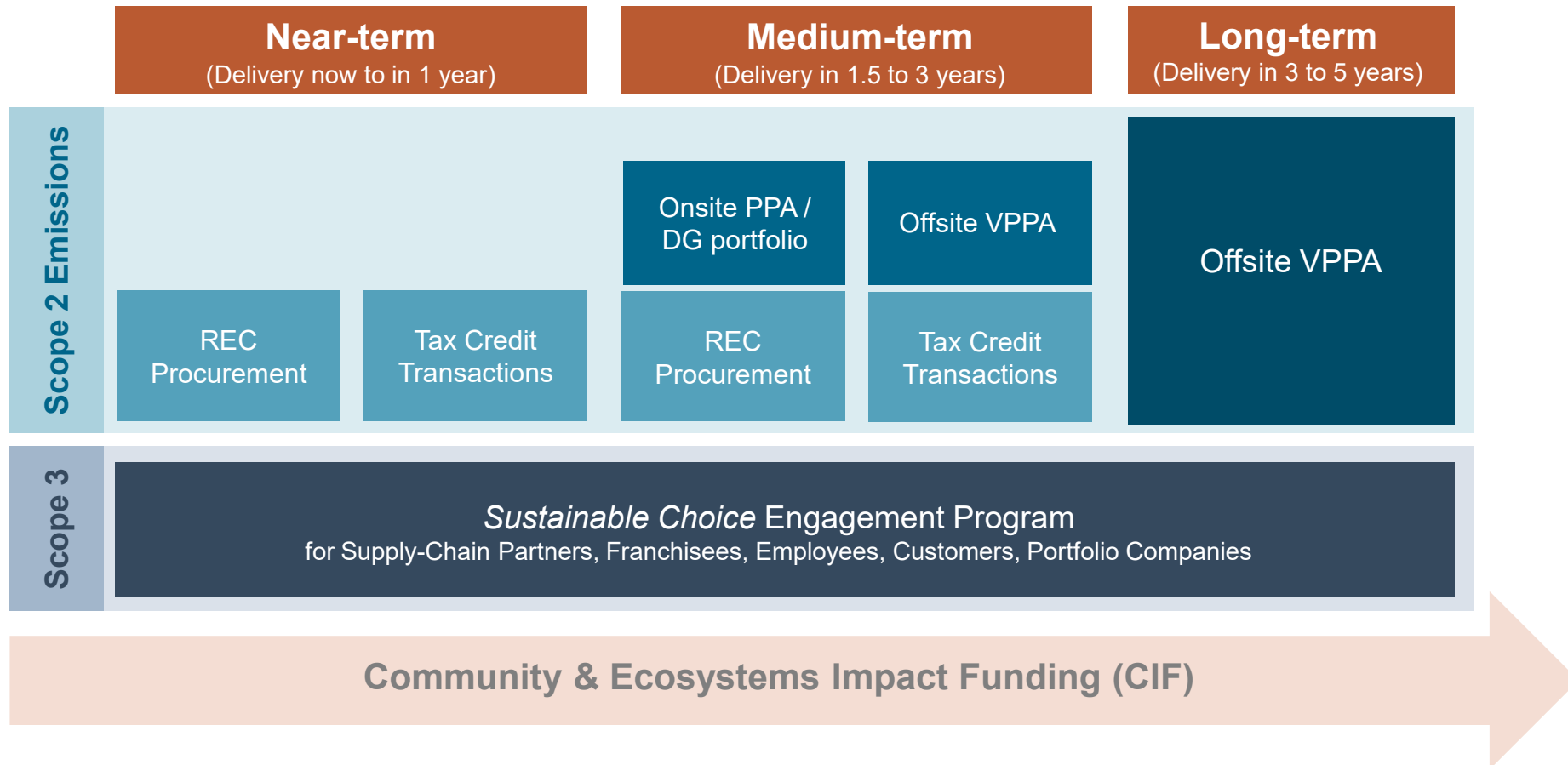
## Enterprise & Impact

Customer Origination & Tailored Community Impact Strategies

			
Developing 800 MW+ of solar projects in the U.S., while unlocking \$50M+ investments over the term in nearby communities and impacted by climate change ( <a href="#">read more</a> )	First-of-its-kind partnership to invest in solar projects and under-resourced communities in the Carolinas ( <a href="#">read more</a> )	915 kW onsite solar array and investment in local communities in partnership with a non-profit focused on under-resourced communities in D.C. ( <a href="#">read more</a> )	Multiyear solar procurement crafted as a scalable, replicable solution to address REI and its supplier Nester's commitment to buy local and accessible renewable energy ( <a href="#">read more</a> )

# Sol Systems – Solutions to Decarbonization

Sol provides **diversified solutions** and builds tailored pathways for corporate customers to deliver on their Scope 2 & 3 decarbonization targets and social goals



# Supply Chain Engagement Approaches

## Bilateral Approach



- Engage with **1-5 aligned buyers**
- **Have suppliers benefit from your procurement experience & efforts** (e.g. introduce suppliers to vetted RE partners, replicate contracts, jointly announce deal)
- **Be more involved:** supplier purchasing alongside your organization
- Great to **build initial & tangible action** with **high internal & external visibility**

## Programmatic Approach



- Engage **larger buyer group** at once
- **Leverage engagement & purchasing platforms / programs**
- **Be less involved:** only define program / platform, suppliers to then engage independently
- Great to **cover large supply chain** despite **limited internal resources**

# Bilateral Approach: REI & Nester's Joint Procurement

## Size

11,300 Green-e RECs annually for 3 years  
(6,000 for REI & ~5,300 for Nester)

## Location

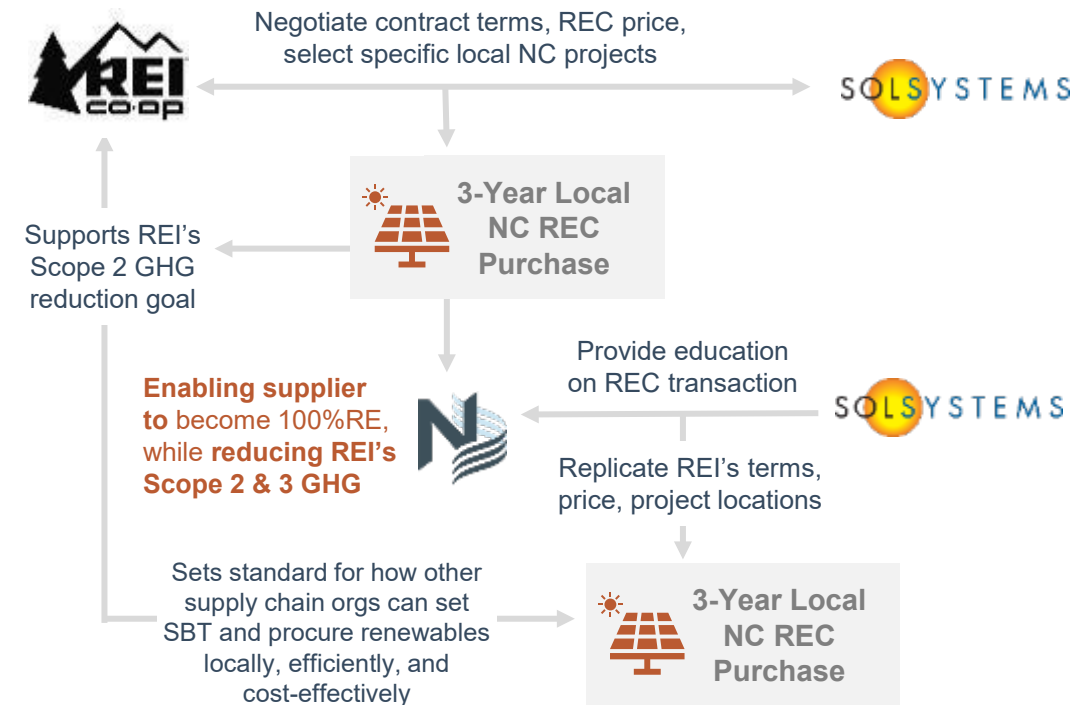
Alexander, Wake, and Nash County, NC

## Unique Elements

- **Efficiency & Flexibility:** Furthering REI's mission to make renewables more local and accessible, REI invited its socks supplier Nester to ride on its negotiated REC contract and price, while offering load-contingent volumetric flexibility if Nester's manufacturing load varies.
- **Supply Chain Leadership:** As one of REI's larger suppliers, Nester reaching 100% renewable energy supports REI's goal of 41% of suppliers by emissions setting science-based targets by 2025.



## Structure:



# Programmatic Approach: Supplier Engagement Platform

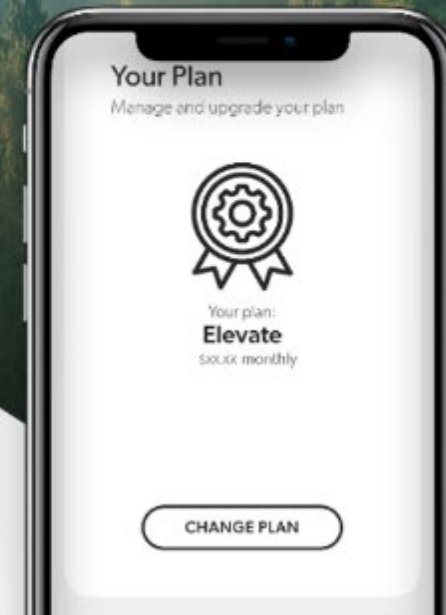
sustainablechoice™

## Interactive Sustainable Energy Platform

A novel platform empowering your stakeholders to make sustainable choices, while driving community impact.

Establish product preferences, engagement tools, and options tailored to your goals and standards:

- ✓ Customized Development
- ✓ Co-Branded Program to Support Your Brand
- ✓ Renewable Energy Supply
- ✓ Community Impact Option
- ✓ Ongoing Marketing Support, REC Retirement & Reporting



An easy tool for suppliers, employees and customers to engage in renewable energy

# Programmatic Approach: Supplier Engagement Platform

sustainablechoice™

	COMMODITY REC PURCHASING	SUSTAINABLE CHOICE
REC Supply	✓	✓
Certification & Retirement	✓	✓
Simplified Purchase Options for Individuals & Small Businesses	✗	✓
REC Price Stability	✗	✓
Access to Bespoke REC Offerings (Multi-Year, Project-Specific)	✗	✓
Stakeholder Platform, Engagement, Capacity-Building & Communication	✗	✓
Admin Dashboard & Reporting	✗	✓
Community Impact	✗	✓
Experienced Stakeholder Customer Service	✗	✓

# Take-Aways

## Get Started with a Catalyst Deal



- **Identify a few like-minded long-standing supplier partner(s)**
- **Bring in this partner** (alongside you) into a (REC-based) transaction
- **Choose a tangible project** with local & strategic connectivity

## Promote Initial Success



- **Create tangible experience opportunities** for your organization & for your supplier partner(s)
- **Promote initial success** internally and externally to inspire & increase buy-in

## Scale Up Across Supply Chain



- **Identify scalable engagement program**
- **Use catalyst deal** to make RE purchasing tangible & increase program take-up
- **Use joint impact program** and aggregate-reporting to create we-are-in-this-together feel & ensure ongoing participation



# Q&A

For more information, visit:

[www.epa.gov/greenpower](http://www.epa.gov/greenpower)

[www.epa.gov/green-power-markets](http://www.epa.gov/green-power-markets)





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