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Green Mountain Releases Report on FPL Sunshine Energy® Program for Florida Public Service Commission Audit

*Report shows half of Program revenue spent on renewable energy and solar projects;
Marketing costs were less than \$1.50 per FPL customer since 2004*

Austin, Texas -- Green Mountain Energy Company this week made good on its commitment to cooperate with the Florida Public Service Commission's (FPSC) review of Florida Power & Light's (FPL) Sunshine Energy® program (Program). Green Mountain released a comprehensive report on its revenue and expenses for the voluntary green power program. Green Mountain also shared confidential financial records with a team of FPSC auditors at the company's Austin, Texas headquarters. The detailed report is available upon request.

"Green Mountain delivered on its commitment to cooperate with the Commission, just as we delivered on our contract with FPL to support its *Sunshine Energy* Program over the last five years," stated Paul N. Markovich, senior vice president of Residential Services for Green Mountain Energy Company. "This is the first time that we have been able to tell our story directly to the Commission about how our revenues and expenses for the *Sunshine Energy* Program were spent."

The purpose of the report is to help the Commission understand how Green Mountain fulfilled its contract to supply and market the *Sunshine Energy* Program for FPL. The report also describes in detail how the successful marketing of the Program created customer demand for more than 1.2 million megawatt hours (MWh) of renewable energy and over 450 kilowatts (kW) of new solar projects in Florida, including building the largest solar electric array in Florida, the 250 kW *FPL Sunshine Energy Solar Array at Rothenbach Park* in Sarasota.

"Green Mountain respects the fact that Florida's renewable energy policies are changing. FPL's *Sunshine Energy* Program offered a voluntary green power option for those customers who wanted one. The Program provided residential customers an affordable and convenient way to offset their carbon footprint through the purchase of RECs," continued Markovich. "FPL's *Sunshine Energy* Program advanced the green power movement in Florida by helping avoid more than one billion pounds of CO₂ emissions through customer participation, by bringing about more than 450 kW of new solar electric power in the state and by supporting new renewable generation in Florida."

(more)

Green Mountain Report Highlights

- ▶ Green Mountain’s obligations were defined by its contract with FPL and Green Mountain met (or exceeded) all of its obligations.
- ▶ *Sunshine Energy* customers not only got what they were promised – renewable energy credits and solar development – but they got it at a price that was less than half of the national average price per kWh for utility green power programs. Additionally, most other green power programs only go towards the purchase of REC’s and do not include a solar component like the *Sunshine Energy* Program.
- ▶ FPL’s *Sunshine Energy* product is priced lower than other Florida utility green pricing program offers.

<u>FL Utility Green Pricing Programs</u>	<u>Price</u>
Tampa Electric Company	2.5 cents/kWh
City of Tallahassee	1.85 cents/kWh – 11.6 cents/kWh
FPL <i>Sunshine Energy</i>	0.975 cents/kWh - - <i>less than a penny</i>

- ▶ Green Mountain invested \$13.3 million in the *Sunshine Energy* Program and was only paid \$11.3 million by FPL.
 - Costs to buy renewable energy and develop solar projects were \$5.5 million, 49% of Green Mountain’s revenues
 - Costs for sales and marketing were \$5.8 million, 52% of Green Mountain’s revenues, all of which went towards growing the number of participants from zero to 38,000 in four years.
 - Green Mountain paid nearly \$2 million upfront before enough customers were enrolled to generate any meaningful revenue.
- ▶ Green Mountain bore all financial risks for the Program, not Florida ratepayers. *Sunshine Energy* customers purchased renewable energy; they did not pay for marketing. Green Mountain paid for marketing the Program.
- ▶ Green power does not sell itself - Green Mountain repeatedly marketed the Program to FPL’s entire residential customer base of 4 million customers.
 - Since 2004, Green Mountain made 56,000 hours of telemarketing calls, mailed 3.6 million pieces of direct mail, delivered 38 million enrollment forms on customer bills and sent 7.6 million bill inserts to market the Program to FPL customers.
- ▶ The *Sunshine Energy* Program was ranked among the “Top Ten” utility green pricing programs in the U.S. for four consecutive years by the National Renewable Energy Laboratory (NREL) of the U.S. Department of Energy.

“Green Mountain was hired to do a job, we did it, and we did it well. Green Mountain was paid by FPL to supply renewable energy to customers, support new solar projects in Florida, and grow *Sunshine Energy* into an industry leader. This Report clearly shows we delivered on all counts,” said Markovich.

Background

FPL hired Green Mountain to market the *Sunshine Energy* Program, a program which was reviewed and approved twice by the FPSC – first as a pilot program in 2003, and then permanently in 2006. FPL’s *Sunshine Energy* Program provided the most kWhs of renewable content at the lowest price to customers of any utility green power program block product in the U.S. Since the Program’s inception in 2004, *Sunshine Energy* customers helped avoid more than one billion pounds of carbon dioxide (CO₂) emissions.

About Green Mountain Energy Company

Green Mountain, the nation’s leading provider of cleaner energy and carbon offset solutions, was founded in 1997 “to change the way power is made.” The company is the longest serving green power marketer in the U.S. and was ranked the highest in residential customer satisfaction with retail electric service in Texas by J.D. Power and Associates. Green Mountain offers consumers and businesses the choice of cleaner electricity products from renewable sources such as wind and water and carbon offset products through its BeGreen division (www.begreennow.com). Green

Mountain customers have collectively helped avoid over 4.1 million tons of CO₂ emissions. For more information, visit www.greenmountain.com.

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Green Mountain Energy Company received the highest numerical score among residential electric service providers in Texas in the proprietary J.D. Power and Associates 2008 Texas Residential Retail Electric Service Satisfaction StudySM. Study based on responses from 2,572 consumers measuring 8 providers and measures opinions of consumers with their electric service provider. Proprietary study results are based on experiences and perceptions of consumers surveyed in June 2008. Your experiences may vary. Visit jdpower.com