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We are writing to raise serious concerns and request further information about Microsoft, Meta, Google, and Amazon's use of environmental accounting gimmicks to claim they are 100% powered by renewable energy. These claims appear deceptive given the increasing electricity demands of those companies and the realities of the U.S. electrical grid, which consists of 60% fossil fuels.[1] To make these claims, companies engage in a shell game whereby they purchase unbundled "renewable energy certificates" (RECs) and then claim the "renewable" attribute of energy that is used ***by someone else*** as their own energy usage.

We are also concerned that the unrealistic claim of 100% renewable energy contributes to the present grid-reliability crisis. The Department of Energy estimates that if we do not change course, blackouts will increase by 100 times by 2030.[2] Tech companies have not only created skyrocketing demand for electricity but also locked up relatively rare baseload sources like nuclear power for themselves, while pushing utilities towards harmful net-zero goals that require greater reliance on intermittent renewable power sources for

[1] https://www.eia.gov/tools/faqs/faq.php?id=427&t=310; *see also* https://harvardlawreview.org/wp-content/uploads/2024/01/137-Harv.-L.-Rev.-936.pdf (p. 939); *see also* https://www.mckinsey.com/~/media/mckinsey/business%20functions/sustainability/our%20insights/the%20net%20zero%20transition%20what%20it%20would%20cost%20what%20it%20could%20bring/the-net-zero-transition-what-it-would-cost-and-what-it-could-bring-final.pdf (p. iii).

[2] https://www.energy.gov/articles/department-energy-releases-report-evaluating-us-grid-reliability-and-security.

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everyone else. This exacerbates the looming "reliability crisis"[3] in which half the country is at "elevated risk" or "high risk" of electricity shortages in the next few years.[4] Potential shortfalls for summer 2025 led to emergency orders to keep fossil-fuel-generated baseload power generators online.[5] And early retirement of baseload power also threatens President Trump's efforts to "unleash American energy" and establish and maintain "energy dominance," which is critical for reliable electricity going forward.[6]

Given our duty to protect consumers, we provide the following additional information as well as questions that we request you answer related to your claims and actions on this topic.

I. Claims About Renewable Energy Usage and Emissions Reductions

Major tech companies use unbundled RECs to claim that they have achieved 100% renewable energy "use" or "consumption," and have reduced their emissions. Both types of claims appear to be deceptive or misleading. Purchasing unbundled RECs does not mean that the companies are using renewable energy, or that they are reducing emissions.

A. Tech Claims Are Based on Unbundled RECs, Not Actual Energy Usage or Emissions Reductions

Microsoft: Microsoft has claimed its "percentage of renewable electricity consumption" has been 100% for multiple years.[7] This is part of a long-running claim for the tech giant—in 2016, Microsoft claimed that it had been "100% powered by renewable energy since 2014."[8] Microsoft belongs to RE100, a climate group of "businesses committed to using 100% renewable electricity,"[9] and the RE100 repeats Microsoft's claims that it "has been powered by 100% renewable electricity since 2014."[10] Microsoft also has stated it had a

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[3] *See* https://www.energy.senate.gov/services/files/1D618EDD-7CED-4BC5-8F09-C8F0668FE608 (May 2023 statement by FERC Commissioner Christie, referring to a "reliability crisis"); https://www.energy.senate.gov/services/files/0A896B12-2895-4F68-A367-74009F2975C4 (May 2023 statement by FERC Commissioner Danly, referring to a "looming resource adequacy crisis").

[4] https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf (p. 6).

[5] https://www.powermag.com/trump-administration-issues-third-emergency-order-to-prevent-pjm-power-shortfall/.

[6] *See, e.g.*, https://www.whitehouse.gov/articles/2025/03/president-trump-is-unleashing-american-energy/.

[7] https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/2024-Environmental-Sustainability-Report-Data-Fact.pdf (p. 6, showing 100% "renewable electricity" for 2022); *see also* https://www.microsoft.com/en-nz/business/empower-nz/sustainability#our-future [microsoft.com] ("Microsoft's energy supply will be 100% renewable for all its operations by 2025.")

[8] https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/Microsoft-2016-Corporate-Social-Responsibility-0.pdf (p. 49) ("we have been 100% powered by renewable energy since 2014"); https://blogs.microsoft.com/green/2016/04/07/microsoft-signs-joint-amicus-brief-in-support-of-epas-clean-power-plan/ (same).

[9] https://www.there100.org/.

[10] https://www.there100.org/re100-members?items_per_page=All.

goal to reach "100% renewable energy by 2025" in order to "reduce [its] Scope 1 and 2 emissions to near zero."[11]

In fact, Microsoft and its data centers have consistently relied on fossil-fuel-generated baseload power,[12] including for over *half* of its supposed 100% renewable energy usage in 2022.[13] When confronted about its use of unbundled RECs, Microsoft claimed an intent to "phase out the use of unbundled RECs in future years."[14] Microsoft appears to have implicitly admitted its earlier claims about being "100% powered by renewable energy since 2014" were deceptive or misleading, as it later stated it had a goal to reach "100% renewable energy by 2025."[15] Microsoft recently admitted that it had "learned and adjusted," and would no longer buy "non-additional, unbundled" RECs, which it was relying on to make its earlier claims.[16]

Microsoft also heavily relies on unbundled RECs to make its emissions claims—including for over 3.3 million tons of emissions in 2022.[17] Microsoft recently stated that its Scope 1 and 2 emissions reductions were driven in part by its "use of unbundled renewable energy certificates."[18] However, buying unbundled RECs does not result in emissions reductions, let alone reducing emissions to "near zero."[19]

Meta: Meta claims that its "total electricity used" has been 100% renewable since 2020.[20] Meta also has claimed to be "supported by 100% renewable energy" and that "100%

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[11] *See* https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/Microsoft-2024-Environmental-Sustainability-Report.pdf (p. 11).

[12] https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/Microsoft-2019-CSR-Annual-Report-0.pdf (p. 34) (2019: "We're on target to achieve our goal of powering our datacenters with 60 percent renewable energy by the end of this year…").

[13] https://www.bloomberg.com/news/articles/2024-08-21/ai-tech-giants-hide-dirty-energy-with-outdated-carbon-accounting-rules; *but see* https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/2024-Environmental-Sustainability-Report-Data-Fact.pdf (p. 6, showing 100% "renewable electricity consumption" for FY20, FY21, FY22, and FY23).

[14] https://www.bloomberg.com/news/articles/2024-08-21/ai-tech-giants-hide-dirty-energy-with-outdated-carbon-accounting-rules.

[15] *See* https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/Microsoft-2024-Environmental-Sustainability-Report.pdf (p. 11).

[16] *See* https://blogs.microsoft.com/on-the-issues/2025/02/13/progress-on-the-road-to-2030/.

[17] https://www.bloomberg.com/news/articles/2024-08-21/ai-tech-giants-hide-dirty-energy-with-outdated-carbon-accounting-rules; *see* https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/2024-Environmental-Sustainability-Report-Data-Fact.pdf (p. 6, showing 100% "renewable electricity" for FY20, FY21, FY22, and FY23).

[18] https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/2025-Microsoft-Environmental-Sustainability-Report.pdf#page=11 (p. 11)

[19] *See* https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/Microsoft-2024-Environmental-Sustainability-Report.pdf (p. 11) (emphasis added).

[20] https://sustainability.atmeta.com/wp-content/uploads/2024/08/Meta-2024-Sustainability-Report.pdf (p. G & H, table 2.1); *see also* https://tech.facebook.com/engineering/2021/4/renewable-energy/ [tech.facebook.com] ("We are proud to announce that our global operations are supported by 100

renewable energy is critical to [Meta's] net zero strategy."[21] Like Microsoft, Meta is a member of RE100, which states that Meta's goal is to "run its entire operations on 100% renewable electricity by 2020."[22] Meta has also claimed that "100% of our electricity use is matched with renewable energy" and represented that it is "matching our electricity use with renewable energy by adding new wind and solar projects to local grids."[23] Meta has asserted that it has reduced its emissions by 94% since 2017, "primarily by matching 100% of the electricity use of our data centers and offices with renewable energy."[24]

In fact, unbundled RECs may have supported nearly 20% of Meta's supposed 100% clean energy usage in 2022.[25] Over 99% of the power Meta uses is from the electric grid (and thus relies on baseload fossil-fuel generation).[26] Meta also has admitted that a "considerable portion of the operational emissions from [its] data centers" comes from the use of diesel fuel generators,[27] further disproving its claim that its "total electricity used" has been 100% renewable since 2020.[28]

Unbundled RECs also have been used to misleadingly prop up Meta's emissions claims: Meta used RECs to claim that it "reduced [its] value chain emissions by 1.4M tons of CO2e in 2023," even though the emissions supposedly reduced were actually emitted, such as emissions from power used in the course of "customer use of [Meta's] consumer hardware, including Meta Quest headsets."[29]

Google: Google claims to be "leading the charge" on net-zero goals,[30] and has set a goal to "reach net-zero emissions across all of our operations and value chain by 2030."[31] Google claims to have "match[ed] 100% of [its] annual electricity consumption on a global basis with renewable energy" each year since 2017, and says it "buy[s] electricity directly from new clean energy projects."[32]

In reality, Google's electricity use is skyrocketing alongside the growth in its energy-intensive business. Its overall emissions are up by over 50% since 2019.[33] And its Scope 2

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percent renewable energy and have reached net zero emissions, completing the goal we set for ourselves in 2018.")

[21] *See* https://sustainability.fb.com/wp-content/uploads/2023/07/Meta-2023-Sustainability-Report-1.pdf (p. 3, 13).

[22] https://www.there100.org/re100-members?items_per_page=All.

[23] https://web.archive.org/web/20250123032624/https://sustainability.atmeta.com/energy/.

[24] https://sustainability.atmeta.com/wp-content/uploads/2024/08/Meta-2024-Sustainability-Report.pdf (p. 3); *see id.* at 20 ("Since 2020, we have maintained net zero emissions in our global operations and matched 100% of our electricity use with renewable energy.").

[25] https://www.bloomberg.com/news/articles/2024-08-21/ai-tech-giants-hide-dirty-energy-with-outdated-carbon-accounting-rules.

[26] https://sustainability.atmeta.com/wp-content/uploads/2024/08/Meta-2024-Sustainability-Report.pdf (p. 34 & p. G, table 2.1).

[27] https://sustainability.atmeta.com/wp-content/uploads/2024/08/Meta-2024-Sustainability-Report.pdf (p. 34).

[28] https://sustainability.atmeta.com/wp-content/uploads/2024/08/Meta-2024-Sustainability-Report.pdf (p. G & H, table 2.1).

[29] https://sustainability.atmeta.com/wp-content/uploads/2024/08/Meta-2024-Sustainability-Report.pdf (p. 26). The report does not specify whether these particular RECs were unbundled.

[30] https://datacenters.google/operating-sustainably/.

[31] https://datacenters.google/operating-sustainably/.

[32] https://datacenters.google/operating-sustainably/.

[33] https://www.gstatic.com/gumdrop/sustainability/google-2025-environmental-report.pdf (p. 105).

market-based emissions in 2024 were more than *triple* its 2019 levels, highlighting the vast amount of electricity consumed by Google's data centers.[34] In the last year alone, Google's data center electricity consumption grew by 27%,[35] and Google is reportedly "test[ing] the purchase of" new unbundled RECs linked to time-of-day usage.[36]

Amazon: In 2019, Amazon announced a goal to "power its global infrastructure" with "100% renewable energy by 2030,"[37] which it also described as a goal to "use" 100% renewable energy by 2030.[38] Amazon later announced that it had "achieved its 100% renewable energy goal" in 2023, seven years early.[39] Amazon has also claimed that it lowered carbon emissions by matching "100% of the electricity consumed by Amazon ... with renewable energy."[40]

Yet Amazon reportedly "relied on unbundled RECs for 52% of its renewable energy in 2022" alone,[41] and has admitted that it used unbundled RECs to meet its 100% renewable energy goal.[42] Amazon also has publicly acknowledged that "[u]nbundled RECs are purchased independent of a project" and "typically support[] an existing project," rather than adding new renewable generation.[43]

Amazon also used unbundled RECs to conceal 8.5 million tons of its emissions in 2022,[44] even though those emissions were actually emitted from Amazon's operations, and as noted above, Amazon has admitted that unbundled RECs typically support existing projects, rather than new generation.

B. Energy Usage Claims Based on Unbundled RECs Appear To Be Deceptive

Tech company claims to have "consumed," have "used," or be "powered by" "100% renewable energy" based on unbundled RECs appear to be misleading because these companies are in fact relying on fossil-fuel-generated baseload power.[45]

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[34] https://www.gstatic.com/gumdrop/sustainability/google-2025-environmental-report.pdf (p. 105).
[35] https://www.gstatic.com/gumdrop/sustainability/google-2025-environmental-report.pdf (p. 16).
[36] https://www.gstatic.com/gumdrop/sustainability/google-2025-environmental-report.pdf (p. 31).
[37] https://www.aboutamazon.com/news/sustainability/the-climate-pledge.
[38] https://www.aboutamazon.eu/news/press-lounge/amazon-announces-its-first-large-scale-renewable-energy-project-in-spain ("Amazon's commitment to the Climate Pledge to use 80% renewable energy by 2024 and 100% by 2030").
[39] https://www.amazon.science/news-and-features/how-amazon-achieved-its-100-percent-renewable-energy-goal.
[40] *See* https://web.archive.org/web/20250408182144/https://sustainability.aboutamazon.com/climate-solutions/carbon-free-energy?energyType=true. The language was recently deleted, but the same page continues to claim that "100% of the electricity consumed by Amazon in 2023 was matched with renewable energy sources," which also is misleading. https://sustainability.aboutamazon.com/climate-solutions/carbon-free-energy?energyType=true.
[41] https://www.bloomberg.com/news/articles/2024-08-21/ai-tech-giants-hide-dirty-energy-with-outdated-carbon-accounting-rules.
[42] https://www.amazon.science/news-and-features/how-amazon-achieved-its-100-percent-renewable-energy-goal.
[43] *See* https://www.amazon.science/news-and-features/how-amazon-achieved-its-100-percent-renewable-energy-goal.
[44] https://www.bloomberg.com/news/articles/2024-08-21/ai-tech-giants-hide-dirty-energy-with-outdated-carbon-accounting-rules.
[45] In contrast, *bundled* RECs are attached to the actual renewable energy generated and used.

Buying RECs that are unbundled from the actual energy companies "use" and "consume" does not result in any operations being "powered by" renewable energy. A REC merely shows that renewable energy was generated somewhere on the planet. It does not show: (1) that the renewable energy would not have been created without someone purchasing the REC, or (2) that the person purchasing the REC used that renewable energy.

Companies cannot argue that their claims are justified based on the generation of additional power by the unbundled RECs. Purchasing unbundled RECs "does not increase the amount of renewable generation,"[46] as those RECs "regularly come from projects developed years before procurement," and "contribute zero to the development of new renewable energy projects."[47] Unbundled REC purchases tend to be from the cheapest sources,[48] which are already-existing power plants, such as a trash incinerator.[49] If RECs like those had not been purchased, the amount of renewable energy added to the grid and used by the tech companies would have been the same.

Companies also cannot claim that purchasing RECs means the companies actually used renewable electricity. Tech companies are using electricity from the power grid, which relies on fossil-fuel-generated baseload power.[50] A data center using electricity from an electric grid with 40% fossil-fuel-generated baseload power is not "using," "consuming," or "powered by" 100% renewable energy even if it purchases RECs from renewable energy providers. Tech companies may argue that they have purchased the supposed right to claim the renewable attributes of the energy, but even if a contract purports to give them that right, the representations still mislead consumers. For example, even if a tech company had purportedly purchased the right to make "Made in the USA" claims from other manufacturers that actually are making products in the USA, if the tech company's products are not in fact made in the USA, those claims would clearly be misleading.

The conclusion that REC purchases do not justify sweeping tech company claims is becoming more widely recognized. Even a sustainability commentator has admitted that claiming "100% renewable energy" based on unbundled RECs is "dangerously close to deceptive marketing."[51] A recent academic paper observed that "there is no reason for purchasing energy attributes unless doing so increases the amount of [renewable energy] generation and ultimately reduces emissions."[52] Given that unbundled RECs do not appear

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[46] https://www.bccas.business-school.ed.ac.uk/impact-and-collaboration/renewable-energy-purchasing.

[47] https://www.utilitydive.com/news/purchaser-caused-certificates-are-key-to-driving-renewable-energy-growth/742593/; *see* https://doi.org/10.1038/s41558-022-01379-5 (collecting analyses finding unbundled REC purchases by companies are "unlikely to lead to additional renewable energy production").

[48] https://www.sciencedirect.com/science/article/pii/S0959652624032402 (REC "investments are almost exclusively made in the cheapest available renewable energy resource, thereby cannibalising market-driven projects that would also have been built without a REC market").

[49] https://revealnews.org/podcast/its-not-easy-going-green/ (unbundled RECs are "cheap, popular and completely ineffective").

[50] For example, even California, which has run solely on renewable energy for hours at a time during periods of relatively mild weather, always has natural gas plants running and exports natural gas power. California's 100% zero-carbon energy goal is set for 2045, twenty years from now. https://www.fastcompany.com/91110863/california-renewable-energy-grid.

[51] https://www.utilitydive.com/news/purchaser-caused-certificates-are-key-to-driving-renewable-energy-growth/742593/.

[52] https://www.tandfonline.com/doi/full/10.1080/17583004.2025.2473910#d1e165 (emphasis added).

to be fulfilling either goal, big tech appears to be spending money on these certificates solely for the ability to engage in what appears to be deceptive marketing.

C. Emissions Reduction Claims Based on Unbundled RECs Also Appear to Be Deceptive

Big tech companies are also apparently using unbundled RECs to claim to have decreased their emissions by massive amounts, including 8.5 million tons for Amazon, 3.3 million tons for Microsoft, and 740,000 tons for Meta.[53] But "matching" electricity consumption via unbundled RECs has "zero or near-zero long-run impact on system-level CO2 emissions."[54]

Again, the issue is that unbundled REC purchases have no connection to real-world emissions reductions, because unbundled RECs do not show (1) that the REC purchase reduced any emissions (additionality), or (2) that the person purchasing the REC reduced their emissions.

First, companies cannot truthfully claim that their purchase of unbundled RECs reduced any emissions. As noted above, purchasing unbundled RECs "does not increase the amount of renewable generation,"[55] as those RECs "regularly come from projects developed years before procurement," and "contribute zero to the development of new renewable energy projects."[56] So when companies buy cheap, unbundled RECs from existing sources, such as from a trash incinerator,[57] those purchases do not create any emission reductions—if the companies had not purchased the unbundled RECs, the total amount of overall emissions would have been the same.

Second, companies cannot claim that purchasing unbundled RECs means that those companies reduced their own emissions. Experts have found that the purchase of unbundled RECs has little to no effect on reducing the emissions generated by a company.[58] As noted above, tech company power usage typically comes from a grid relying on fossil-fuel-generated baseload power. Thus, tech companies have attributable emissions from their power usage. Purchasing an unbundled REC does not change the fact that tech companies used some fossil-fuel-generated baseload power, which created emissions.

As one academic source recently put it, when companies rely on unbundled RECs for supposed emissions reductions, they produce "GHG accounts that do not accurately reflect the emissions caused by [their] activities."[59] Other academics have called it "clearly

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[53] https://www.bloomberg.com/news/articles/2024-08-21/ai-tech-giants-hide-dirty-energy-with-outdated-carbon-accounting-rules.

[54] https://doi.org/10.5281/zenodo.8325964.

[55] https://www.bccas.business-school.ed.ac.uk/impact-and-collaboration/renewable-energy-purchasing.

[56] https://www.utilitydive.com/news/purchaser-caused-certificates-are-key-to-driving-renewable-energy-growth/742593/; *see* https://doi.org/10.1038/s41558-022-01379-5 (collecting analyses finding unbundled REC purchases by companies are "unlikely to lead to additional renewable energy production").

[57] https://revealnews.org/podcast/its-not-easy-going-green/ (unbundled RECs are "cheap, popular, and completely ineffective").

[58] *See, e.g.*, https://www.sciencedirect.com/science/article/abs/pii/S0301421508000803?via%3Dihub.

[59] https://www.bccas.business-school.ed.ac.uk/impact-and-collaboration/renewable-energy-purchasing; *see* https://www.sciencedirect.com/science/article/pii/S0301421517306213?via%3Dihub ("The 'market-based' method for purchased electricity (scope 2) emissions is misleading.").

misleading" for companies to "use RECs to give the impression that they are progressing well against their net-zero targets without actually reducing power emissions."[60]

In addition, unbundled REC-based claims about emissions are especially problematic given that tech company data center demands are increasing much faster than any other sector and forcing the expansion of those grids.[61] With only a finite amount of power available on any given electric grid, introducing massive new demands on those grids inevitably leads to an increase in emissions. Even if 40% of energy from new power projects was renewable, the power needed for data centers would be comparable to adding over 15 million new gas-powered cars to U.S. roadways.[62] Yet tech companies attempt to paper over those emissions in the public eye by buying cheap, unbundled RECs and making emissions claims based on those RECs.

D. The FTC "Green Guides" Do Not Excuse Deceptive Conduct

The FTC "Green Guides" do not permit tech companies to make misleading claims. The Green Guides suggest that "unqualified renewable energy claims" can be made if the "marketer has matched such non-renewable energy use with renewable energy certificates."[63] First, on its face, this language. does not apply to the claims by tech companies about reducing their emissions. *See* Part I(C), *supra*. Second, even if it could be read to apply to claims about overall energy usage, *see* Part I(B), the Green Guides are non-binding and have no preemptive effect. Instead, they are "administrative interpretations of law" that "do not have the force and effect of law," are "not independently enforceable"[64] "do not operate to bind the FTC,"[65] and more importantly, "**do not preempt federal, state, or local laws**."[66] In addition, although various federal statutes and regulations deal with RECs, the federal government has not preempted the "entire field."[67] To the contrary, courts have held that states may regulate various matters relating to RECs and renewable energy.[68]

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[60] https://www.bccas.business-school.ed.ac.uk/thought-leadership/additionality-deliverability-double-counting-scope-2-greenhouse-gas-emissions-accounting.

[61] *See* https://www.washingtonpost.com/business/2024/06/21/artificial-intelligence-nuclear-fusion-climate/; https://gridstrategiesllc.com/wp-content/uploads/National-Load-Growth-Report-2024.pdf (p. 3).

[62] https://www.washingtonpost.com/business/2024/06/21/artificial-intelligence-nuclear-fusion-climate/ (citing a Goldman Sachs study).

[63] 16 C.F.R. § 260.15(a).

[64] https://www.ftc.gov/sites/default/files/documents/federal_register_notices/guides-use-environmental-marketing-claims-green-guides/greenguidesfrn.pdf at 62122.

[65] 16 C.F.R. § 260.1(a).

[66] 16 C.F.R. § 260.1(b) (emphasis added); *see* https://www.federalregister.gov/documents/2010/10/15/2010-25000/guides-for-the-use-of-environmental-marketing-claims ("[A]lthough some commenters sought FTC preemption of state and local laws, the Green Guides are not enforceable regulations and, therefore, cannot be legally preemptive."); *Berger v. Philip Morris USA, Inc.*, 185 F. Supp. 3d 1324, 1339 (M.D. Fla. 2016).

[67] *See Hillsborough Cty. v. Automated Med. Labs., Inc.*, 471 U.S. 707, 714 (1985).

[68] *See, e.g.*, *Coal. for Competitive Elec., Dynergy Inc. v. Zibelman*, 906 F.3d 41, 54–55 (2d Cir. 2018) (state "ZECs" (zero emissions credits) were not field-preempted by federal law; "FERC has confirmed that REC programs fall within the jurisdiction of the states"); *Wheelabrator Lisbon, Inc. v. Conn. Dep't of Pub. Util. Control*, 531 F.3d 183, 188–90 (2d Cir. 2008) (noting that FERC has not shown "an intent to occupy the relevant field—namely, the regulation of renewable energy credits," and has "acknowledge[d] that state law governs the conveyance of RECs").

II. Tech Company Commitments Are Leading to Deals That Could Lock Consumers Out of Reliable Power

Because it is currently impossible to sustain the amount of energy required by data centers[69] with renewables like wind and solar power due to their intermittent qualities,[70] many tech companies claiming 100% renewable energy usage and hoping to move away from their reliance on unbundled RECs are looking to "lock up" a more reliable form of clean energy—nuclear power.[71] Recent reports show that "[t]he owners of roughly a third of U.S. nuclear-power plants are in talks with tech companies to provide electricity to new data centers needed to meet the demands of an artificial-intelligence boom."[72]

According to the Institute for Energy Research, "[t]ech companies are committing to buy most, or all, of the electricity directly produced at existing nuclear plants in some areas of the country."[73] By hooking data centers directly to nuclear plants, those data centers could potentially run on 100% renewable power.[74] But "instead of adding new green energy to meet their soaring power needs, tech companies would be effectively diverting existing electricity resources."[75] These deals "could sap the grid of critical resources" at a time when blackouts are rapidly increasing around the country.[76] Solar and wind are not reliable forms of renewable energy—and overreliance on these sources of power will lead to an even greater increase in blackouts,[77] like the one recently experienced in Spain.[78] At the time of the

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69 https://www.scientificamerican.com/article/the-ai-boom-could-use-a-shocking-amount-of-electricity/.

70 https://www.mckinsey.com/mgi/overview/in-the-news/affordability-reliability-and-industrial-competitiveness-will-make-or-break-the-net-zero-transition.

71 https://www.wsj.com/business/energy-oil/tech-industry-wants-to-lock-up-nuclear-power-for-ai-6cb75316; *see* https://techcrunch.com/2024/10/14/google-signed-a-deal-to-power-data-centers-with-nuclear-micro-reactors-from-kairos-but-the-2030-timeline-is-very-optimistic/.

72 https://www.wsj.com/business/energy-oil/tech-industry-wants-to-lock-up-nuclear-power-for-ai-6cb75316.

73 https://www.instituteforenergyresearch.org/nuclear/tech-companies-seek-reliable-nuclear-power/.

74 https://www.wsj.com/business/energy-oil/tech-industry-wants-to-lock-up-nuclear-power-for-ai-6cb75316.

75 https://www.wsj.com/business/energy-oil/tech-industry-wants-to-lock-up-nuclear-power-for-ai-6cb75316; *see* https://www.washingtonpost.com/business/2024/06/21/artificial-intelligence-nuclear-fusion-climate/.
(quoting a clean energy company CEO as stating, "When massive data centers show up and start claiming the output of a nuclear plant, you basically have to replace that electricity with something else").

76 https://www.wsj.com/business/energy-oil/tech-industry-wants-to-lock-up-nuclear-power-for-ai-6cb75316; https://www.americanenergyalliance.org/2024/03/renewable-energy-mandates-increase-chances-of-major-blackouts/ ("Nationally, the number of outages from 2019 to 2023 was **93 percent higher** than in the previous five years.") (citing https://paylesspower.com/blog/blackout-tracker/); https://www.instituteforenergyresearch.org/renewable/as-renewable-energy-increases-in-the-generation-mix-power-outages-grow/.

77 https://www.mckinsey.com/mgi/overview/in-the-news/affordability-reliability-and-industrial-competitiveness-will-make-or-break-the-net-zero-transition.

78 https://www.ft.com/content/e6e1fe13-36f7-4fe5-84ba-77717dca68a8.

blackout, over 80% of Spain's grid was depending on renewables,[79] and since the blackout, Spain has quietly boosted generation from gas power plants in order to stabilize its grid.[80]

Big tech's efforts to lock up nuclear power[81] are necessary for tech companies to actually meet their net-zero commitments—commitments which are currently propped up by misleading climate marketing based on unbundled REC use. But if these sources of reliable power are reserved for tech companies, Americans will be left with less reliable energy.

III. Misleading Renewable Energy Claims and Unrealistic Targets Pressure Utilities to Move Away from Fossil-Fuel-Generated Baseload Power, Threatening the Integrity of the Electric Grid

When big tech companies claim to use 100% renewable energy, they pressure utilities to move away from fossil-fuel-generated baseload power to attract or retain big tech data center development. For example, Google boasts that it is not only "advocating for [clean] energy policies," it is also using its "purchasing demand to accelerate the commercialization of advanced [clean-energy] technologies" and "prioritizing clean energy procurement."[82] Xcel Energy was the first major utility to set a zero-carbon target, and did so in part because it was "motivated by customers who are asking for it."[83] MidAmerican Energy's "commitment to renewable energy" reportedly helped "draw[] Facebook, Google and Microsoft to build data centers in Iowa."[84]

These utility commitments have helped contribute to the phenomenon of early retirement of coal and natural gas plants,[85] which is raising state concerns[86] and threatening the integrity of the electric grid.[87]

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[79] https://demanda.ree.es/visiona/peninsula/demandaau/acumulada/2025-04-28.

[80] https://www.bloomberg.com/news/articles/2025-05-19/spain-boosts-costlier-gas-power-to-secure-grid-after-blackout.

[81] https://seekingalpha.com/article/4728215-why-tech-giants-betting-big-on-nuclear-power; *see* https://www.wsj.com/business/energy-oil/nuclear-energys-ai-boom-blew-a-fuseheres-what-could-happen-next-aecb9724 (noting a recent FERC decision rejecting Amazon's attempt to lock up nuclear power).

[82] https://www.gstatic.com/gumdrop/sustainability/google-2025-environmental-report.pdf (p. 84).

[83] https://investors.xcelenergy.com/news-events/news-releases/news-details/2018/Xcel-Energy-Aims-for-Zero-Carbon-Electricity-by-2050/default.aspx; https://insideclimatenews.org/news/01102020/inside-clean-energy-net-zero-2050-utilities/ (noting that Xcel Energy was the first large utility to set this goal).

[84] https://www.desmoinesregister.com/story/money/business/2022/06/27/tech-giants-question-midamerican-cost-renewable-energy-plan/7620793001/.

[85] *See, e.g.*, https://insideclimatenews.org/news/01102020/inside-clean-energy-net-zero-2050-utilities/ (noting utility commitments and the resulting coal plant retirements); https://stories.xcelenergy.com/stories/Xcel-Energy-proposes-to-exit-coal-by-2030 (announcing plans to retire all coal plants by 2030).

[86] For example, South Dakota expressed concerns that Xcel's decision to prematurely close coal plants "adds to the uncertainty of electric generation resource adequacy in the upper Midwest." https://www.utilitydive.com/news/south-dakota-asks-xcel-energy-reconsider-closing-king-sherco-coal-plants/704687/.

[87] *See* https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf (p. 6) (finding that large regions of the country are at "High Risk" and "Elevated Risk" for "electricity supply shortfalls," and describing the "mounting resource adequacy challenges over the next 10 years as surging demand growth continues and thermal generators announce plans for retirement"). Increasing adoption of other ESG priorities, such as

Utilities are bending to tech company wishes because those companies' AI products and data centers are presenting unprecedented demands for electricity[88] that would "require utilities to boost annual generation by up to 26% by 2028."[89] In fact, projections of how much electricity the U.S. will need to add over the next five years have *quintupled* in the past two years, with most of that increase coming from big tech data center demands.[90] As that demand accelerated, Republican commissioners on the Federal Energy Regulatory Commission (FERC) warned Congress in a May 2023 hearing that Americans faced a looming "reliability crisis."[91] As one article put it, "Some computing campuses require as much energy as a modest-sized city, turning tech firms that promised to lead the way into a clean energy future into some of the world's most insatiable guzzlers of power."[92]

This combination of increasing demand on the grid and early retirement of baseload power thanks to utility net-zero commitments is threatening grid stability. For example, in 2022, Constellation announced that it had "set its own climate goal of achieving 95 percent carbon-free electricity by 2030" and would "lead the nation's response to the climate crisis."[93] Constellation touted its green credentials to corporations, including through publishing a "Sustainability Roadmap" document promising companies that Constellation could "help" those companies "make the journey to net zero."[94] In December 2023, Constellation moved to shut down 760 MW of fossil fuel generation at the end of May 2025, reportedly citing "its broader shift toward a cleaner generating portfolio."[95] The Department of Energy recently ordered Constellation not to follow through that deactivation, in light of concerns that the PJM electric grid may not have enough power to address demand peaks in the summer.[96]

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electric vehicles and heat pumps, could increase demand even further—for example, switching heating in buildings to fully electrified could spike peak power demand to *1.7 times* the current level nationwide, and over *3 times* current peak demand in New England. https://www.mckinsey.com/mgi/our-research/ten-physical-realities-the-energy-transition-must-tackle#/ (also noting that "[u]nder the McKinsey 2023 Achieved Commitments scenario, the global power system would need to quintuple in size (generation capacity installed) between now and 2050 as end-use sectors electrify").

88 https://www.reuters.com/business/energy/us-utilities-grapple-with-big-techs-massive-power-demands-data-centers-2025-04-07/.

89 https://www.bain.com/insights/utilities-must-reinvent-themselves-to-harness-the-ai-driven-data-center-boom/.

90 https://gridstrategiesllc.com/wp-content/uploads/National-Load-Growth-Report-2024.pdf (p. 3).

91 *See* https://www.energy.senate.gov/services/files/1D618EDD-7CED-4BC5-8F09-C8F0668FE608 (May 2023 statement by FERC Commissioner Christie, referring to a "reliability crisis"); https://www.energy.senate.gov/services/files/0A896B12-2895-4F68-A367-74009F2975C4 (May 2023 statement by FERC Commissioner Danly, referring to a "looming resource adequacy crisis").

92 https://www.washingtonpost.com/business/2024/06/21/artificial-intelligence-nuclear-fusion-climate/.

93 https://www.exeloncorp.com/newsroom/constellation-shares-plan-to-lead-americas-transition-to-a-carbon-free-future-as-it-prepares-for-separation-from-exelon; *see* https://www.constellationenergy.com/our-impact/environment-and-climate/climate-commitment.html.

94 https://energy.constellation.com/wp-content/uploads/2023/06/Constellation_Sustainability_Roadmap_Whitepaper_7.5.23.pdf (p. 17).

95 https://www.powermag.com/trump-administration-issues-third-emergency-order-to-prevent-pjm-power-shortfall/.

96 https://www.energy.gov/sites/default/files/2025-05/Federal%20Power%20Act%20Section%20202%28c%29%20PJM%20Interconnection.pdf; *see* https://www.utilitydive.com/news/doe-constellation-pjm-emergency-eddystone/749520/.

The Department of Energy has also been forced to take other similar steps this year to protect the electric grid,[97] and the North American Electric Reliability Corporation's recent long-term reliability assessment placed around half of the U.S. (including PJM) in the categories of "elevated risk" or "high risk" of electricity shortfalls in the next five years.[98]

IV. Questions

1. Has your company ever purchased unbundled renewable energy certificates (RECs)? If so, please explain in detail each unbundled REC purchase your company has made. Include the full purchase agreements and any modifications or renewals.
2. Provide any analyses that your company performed prior to, during, or after the purchase of unbundled RECs regarding whether that purchase of unbundled RECs would result in additional energy generation to the grid or result in an actual reduction of emissions.
3. Has your company used unbundled RECs in making 100% renewable energy or renewable electricity claims? If so, explain in detail how the unbundled RECs are or have been used in the calculation, the timeframe during which each unbundled REC and calculation was used, and how much of each 100% renewable energy claim consisted of unbundled RECs.
4. Has your company used unbundled RECs when calculating its Scope 2 emissions? Explain in detail how unbundled RECs have been or are currently used in that calculation, the timeframe during which each unbundled REC and calculation was used, and how much emissions you claimed to have reduced because of unbundled RECs.
5. List each of your company's statements related to its renewable energy usage and emissions reductions, and explain which of those statements were based, in whole or in part, on the use of unbundled RECs.
6. Identify the actual breakdown of electricity by source that your company has operated on each year for the past five years, including any electricity from backup generators, and not including any consideration of unbundled RECs or similar certificates.
7. For Microsoft: Explain why Microsoft claimed in its 2024 Environmental Sustainability Report Data Fact Sheet that Microsoft's "percentage of renewable electricity consumption" has been 100% for the last four years, when in fact Microsoft consumed substantial percentages of non-renewable electricity in each of those years as well.
8. For Microsoft: Explain why Microsoft claimed in 2016 that it had been "100% powered by renewable energy since 2014," when in fact Microsoft had been using power that included fossil-fuel-generated baseload power.
9. For Microsoft: Explain why Microsoft belongs to RE100 and why RE100 continues to state that Microsoft "has been powered by 100% renewable electricity since 2014,"

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[97] https://www.powermag.com/trump-administration-issues-third-emergency-order-to-prevent-pjm-power-shortfall/.

[98] https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf (p. 6).

when in fact Microsoft has been using power that included fossil-fuel-generated baseload power.

10. For Microsoft: Explain why Microsoft has stated that it has a goal to reach "100% renewable energy by 2025," even though it previously has claimed that it has been "100% powered by renewable energy since 2014."

11. For Microsoft: Explain why Microsoft has stated that it has a goal to reach "100% renewable energy by 2025," in order to "reduce [its] Scope 1 and 2 emissions to near zero," even though Microsoft is relying on unbundled RECs, which do not reduce emissions, and reportedly used unbundled RECs to cover up 3.3 million tons of its emissions in 2022 alone.

12. For Meta: Explain why Meta has claimed that its "total electricity used" has been 100% renewable since 2020, when in fact Meta has relied heavily on the electric grid and fossil-fuel-generated baseload power, as well as diesel fuel generators.

13. For Meta: Explain why Meta has claimed to be "supported by 100% renewable energy," when in fact Meta has been using power that included fossil-fuel-generated baseload power, as well as diesel fuel generators.

14. For Meta: Explain why Meta belongs to RE100 and why RE100 continues to state that Meta's goal is to "run its entire operations on 100% renewable electricity by 2020," when in fact Meta has been using electricity that included fossil-fuel-generated baseload power, as well as diesel fuel generators.

15. For Meta: Explain why Meta has stated that "100% renewable energy is critical to [Meta's] net zero strategy," even though Meta is relying on unbundled RECs, which do not reduce emissions, and reportedly used unbundled RECs to cover up 740,000 tons of its emissions in 2022 alone.

16. For Meta: Explain why Meta has claimed that "100% of our electricity use is matched with renewable energy" and represented that it is "matching our electricity use with renewable energy by adding new wind and solar projects to local grids," when in fact Meta is "matching" its electricity use through the purchase of unbundled RECs, which typically do not add new wind and solar projects to local grids.

17. For Google: Explain why Google claims to have "match[ed] 100% of [its] annual electricity consumption on a global basis with renewable energy" each year since 2017, when in fact Google has been using power that included fossil-fuel-generated baseload power.

18. For Google: Explain why Google continues to tout its 2030 net-zero goals when its electricity use is skyrocketing and its Scope 2 market-based emissions in 2024 were more than triple its 2019 levels.

19. For Google: Explain in detail Google's efforts to "test[] the purchase of" new unbundled RECs linked to time-of-day usage.

20. For Amazon: In 2019, Amazon set a goal to "power its global infrastructure" with "100% renewable energy by 2030" and "use" 100% renewable energy on that date. Explain why Amazon then claimed that it "achieved its 100% renewable energy goal" in 2023, when in fact Amazon still was using power that included fossil-fuel-generated baseload power.

21. For Amazon: Explain why Amazon has claimed that it lowered carbon emissions by matching "100% of the electricity consumed across [its] operations with renewable energy," even though (1) Amazon is relying on unbundled RECs, which by Amazon's own admission are "purchased independent of a project" and "typically support[] an existing project," rather than adding new renewable generation, and (2) Amazon reportedly used unbundled RECs to cover up 8.5 million tons of its emissions in 2022 alone.

We request responses to these questions by October 27, 2025. Please send your responses electronically to Brent Mead, Consumer Chief, Officer of Consumer Protection: brend.mead2@mt.gov. Thank you for your attention to this matter.

Sincerely,

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ATTORNEY GENERAL OF ALABAMA

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Tim Griffin
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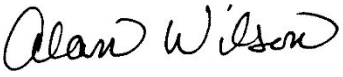

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