



SUCCESS STORY

Okta Tackles Electricity Emissions with Social RECs



San Francisco-based identity company, Okta, is no stranger to working on impactful renewable energy procurement projects. In 2020, they completed their [first renewable energy purchase](#) with 3Degrees in the interest of addressing their scope 1 and 2 emissions in a manner that bestows positive community outcomes. The organization later decided

to focus the majority of their US purchases on social Renewable Energy Certificates (RECs)—these are RECs with co-benefits outside of solely environmental benefits, like supporting local community-based organizations and projects that are involved in solving the systemic nature of social and environmental issues.

This focus on impact-based work comes from Okta’s unique style of cross-team collaboration and a strategy to address broader challenges such as sustainability, diversity, equity and inclusion (DEI), and social impact.

[Okta for Good](#), the philanthropic arm of the company, plays a central role in this strategy, as it has a commitment to “be a catalyst for those making change at the intersection of humanity and technology.”

In 2020, 3Degrees introduced Okta to various impact projects, like [California Bright Schools](#), while Okta also had prior relationships with other organizations, like [Solar Stewards](#), a women and minority owned business. Recognizing the importance of weaving equity and impact into its business and climate strategy, Okta met with several climate justice, social enterprise, environmental organizations, and funders as part of a “listening and learning” tour. With takeaways from the tour, additional internal research, and 3Degrees’ recommendations, Okta chose to add a project with Solar Stewards to their next renewable energy procurement. The specific project will support energy equity and advocacy in Salt Lake County, Utah.

Challenges

Despite the good of impact-based projects, they often face challenges getting off the ground due to their small size, longer time commitments, and other complexities related to bespoke projects. The revenue generated from many of these projects contributes directly to the project being built. As a result, these typically necessitate multi-year time commitments with uncertainty around how many megawatt hours (MWh) a project will generate based on panel efficiency, hours of sunlight, time to implement and more.



SUCCESS STORY | Okta Tackles Electricity Emissions with Impactful RECs

Another issue with impact-based projects is that the organizations that run these projects are wary of the marketing language that corporations may use. They worry that the language may become exaggerated or discuss the communities they're helping in a way that is not true.

Okta committed to a multi-year agreement, with the comfort of increased knowledge that they would directly contribute to project viability and Solar Steward's program costs, since it would not be implemented unless the contract commitment was a minimum of three years. In order to guarantee Okta meets their goals, 3Degrees and Solar Stewards worked together to ensure there were an added number of RECs in case of under production.

Solar Stewards, Okta, and 3Degrees have also formed a trusting and respectful relationship where every marketing campaign and data source is reviewed by Solar Stewards prior to publication.

How We Helped

3Degrees was in a unique position to help the tailored nature of this transaction for Okta by:



Having a large portfolio and pipeline of impact-based projects.

This reassured Okta, as they knew that they would still meet reporting requirements for their sustainability goals if they weren't able to procure the MWh they needed from this project.



Turning community co-benefits into a line item on a standard energy procurement contract.

This allowed teams across Okta to merge environmental and impact priorities in one contract.



Acting as a backstop, working through the multiple stakeholders and handling the backend work to turn the project into a transactional deal.

This eased difficulty for Okta by having one source to go to when they had project status questions.

Results

Through the three-year unbundled REC agreement signed by Okta and Solar Stewards, and facilitated by 3Degrees, Okta was able to support Solar Stewards in their work to support local energy equity work in Salt Lake City.

The specific project that Okta's purchase helped to fund is currently underway and expected to be online by the end of 2022.

3Degrees, a certified B Corporation, makes it possible for businesses and their customers to take urgent action on climate change. We help organizations around the world achieve renewable energy and decarbonization goals through our work with global Fortune 500 companies, utilities, and other organizations that want to join the fight against climate change.



3DegreesInc



@3Degrees_Inc



3Degrees Group, Inc.

