

U.S. State Renewable Portfolio Standards

Legislative initiatives to implement renewables

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U.S. State Renewable Portfolio Standards (RPS)

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Basic Characteristics of Renewable Portfolio Standards

- **Capacity vs. Generation Standard**

Texas: 2000 MW by 2008

Nevada: 15% of MWh by 2013

- **Fixed vs. Increasing Standard**

Maine: fixed 30% of MWh from 1999

Nevada: 5% of MWh in 2003, increasing 2% each year to 15% by 2013

Basic Characteristics of Renewable Portfolio Standards

- **Voluntary vs. Mandatory Standard**
 - Renewable “goal” not enforceable (HI, IL, MN)
 - RPS is mandatory and enforceable (12 states)
- **Market-Based vs. Technology Set-Aside**
 - Any mix of eligible generation (9 states)
 - Mix of eligible generation by resource class (2 states)
 - Nevada: 5% minimum set-aside for solar PV + solar thermal

Basic Characteristics of Renewable Portfolio Standards

- **Qualifying Resources**

 - Commercial vs. Emerging technologies

 - Existing vs. New resources

 - In-state vs. Out-of-state

- **Administrative Authority**

 - State/Government

 - Independent Third Party

 - Utility

Basic Characteristics of Renewable Portfolio Standards

- **Cost Recovery**

Rolled into Rate Base

- Nevada: “Just and Reasonable” charge

Reimbursed through Public Benefit Fund

- Arizona: \$0.000875 per kWh
- California: difference from “market price”

Green Pricing

- Connecticut: no provision for cost recovery other than voluntary customer participation in Green Pricing programs

Basic Characteristics of Renewable Portfolio Standards

- **Flexibility in Meeting the Standard**

 - Tradable renewable generation certificates

 - Credit for early compliance

 - Credit banking for future years

 - Texas: credits banked up to 3 years

 - Make-up period for renewable generation shortfall

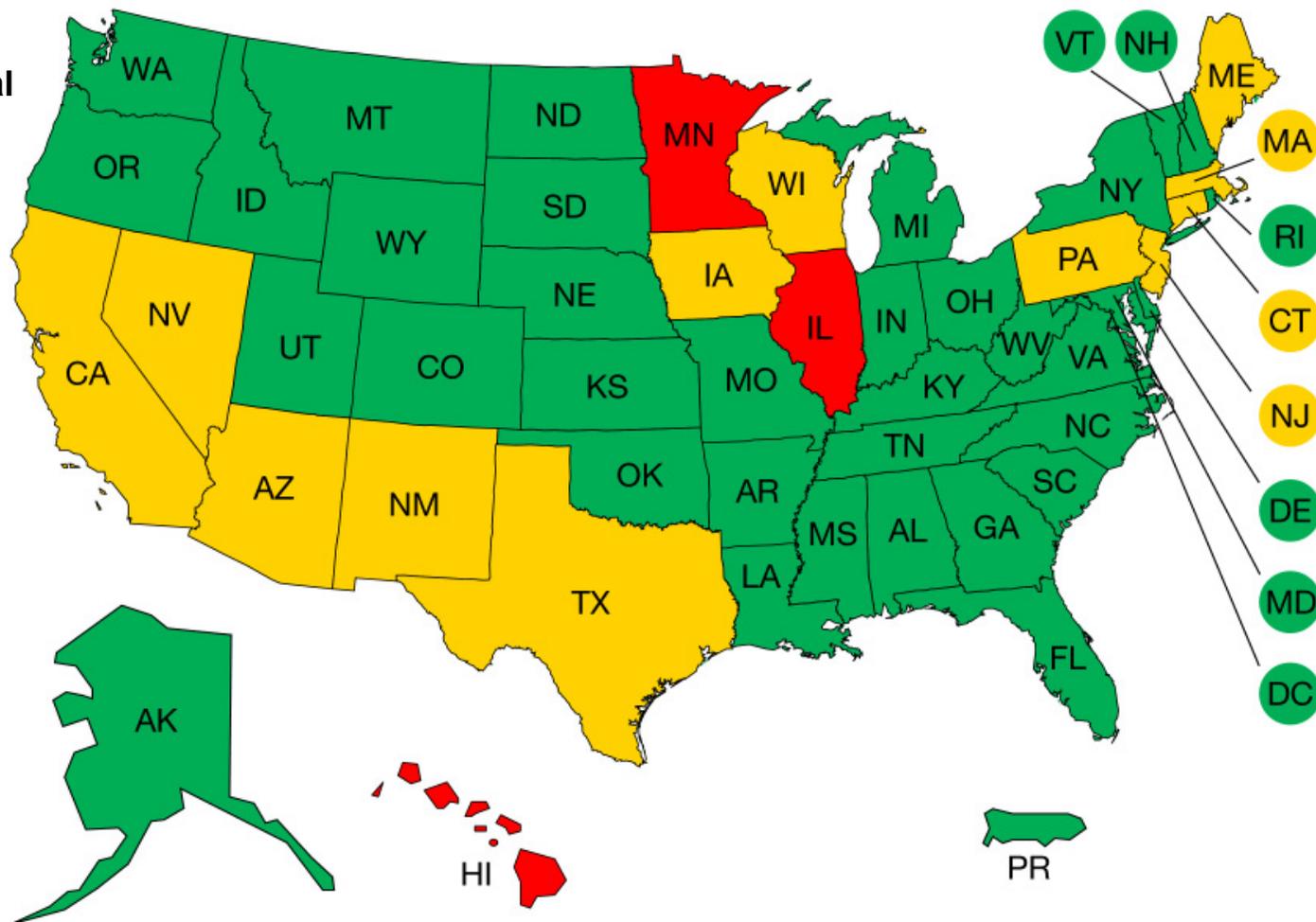
 - Maine: One year to make up shortfall

 - Waiver of RPS requirement

 - California: Requirement waived if insufficient PBF funds

U.S. State RPS Map

-  RPS
-  Renewable Goal
-  No RPS



Example: Nevada RPS Legislation

Date Enacted	Effective Date	Time Period	Extensions to Time Period
June 8, 2001	May 31, 2002	2003-2013 onward	not applicable

Applicable Laws, Orders, and Regulations

Nevada Administrative Code	Nevada Revised Statutes	SB 372 (2001)
LCB File No. R144-01RA	Portfolio Standard for Renewable Energy NRS 704.7801-704.7828	AB 661 (2001)

Description

The legislation requires Nevada's electric utilities to generate or acquire a minimum of 5 percent of electricity sold to retail customers from renewable energy systems in 2003 and 2004, and increases the standard by 2 percent biennially until it reaches 15 percent in 2013. The 15 percent standard is maintained for calendar year 2013 and for each calendar year thereafter. In addition, of the total amount of electricity that the provider is required to generate or acquire from renewable energy systems during each calendar year, not less than 5 percent of that amount must be generated or acquired from solar renewable energy systems.

Standard

<u>Year</u>	<u>% Renewable generation</u>	<u>% Solar requirement</u>
2003-2004	5%	5% minimum
2005-2006	7%	5% minimum
2007-2008	9%	5% minimum
2009-2010	11%	5% minimum
2011-2012	13%	5% minimum
2013-onward	15%	5% minimum

Job Creation from RPS in Nevada

- Some renewable technologies, such as wind and PV, are more labor-intensive than conventional fossil fuel technologies.
- REPP conducted surveys of U.S. wind and PV industries and created a tool to calculate the labor impact of state renewable portfolio standards.
- REPP calculates that Nevada's 15% RPS will add 27,000 full-time equivalent (FTE) jobs over the 10-year RPS implementation phase from 2003-2013.
- REPP has testified on job creation from RPS policies to the House and the State of Nevada.

References

State RPS Legislative Summaries

Available at www.repp.org/rps_map.html

Labor and Renewables

- Report: "The Work That Goes Into Renewable Energy"
- Labor calculator for wind and PV
- Congressional testimony
- Nevada state testimony with AFL-CIO

Available at www.repp.org/labor/

Public Benefit Fund Legislative Summaries

Available at www.repp.org/stateinitiatives/