

State-Federal RPS Collaborative



States Advancing RPS Newsletter

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Upcoming Report

Input Requested into Evaluation Report

Based on requests from several states and the Department of Energy, one of the topics the RPS Collaborative will turn to in the coming year is how a state can best evaluate its renewable portfolio standard. Many states are especially interested in finding relatively simple ways to examine the costs and benefits of their RPSs.

We are therefore planning to write a report on this topic. CESA has just published a more general report on *Evaluating Renewable Energy Programs: A Guide for Program Managers* (see <http://www.cleanenergystates.org/resource-library/resource/evaluating-renewable-energy-programs-a-guide-for-program-managers>) and that report will provide some general context for the RPS paper. However, the evaluation of RPSs poses some distinct challenges and requires somewhat different approaches than does the evaluation of most other renewable energy programs. If there is any existing evaluation of a state's RPS that you think represents a good model for other states, please share it with us. And please let me know if there are any specific issues you want to make sure that our RPS evaluation report addresses.

More generally, if you have RPS news you would like to share or any feedback on what you would like to see in this newsletter, please contact me. And feel free to forward the newsletter to other people who may be interested in RPS news and the State-Federal RPS Collaborative. We look forward to hearing from you.

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Upcoming Events

2011 RPS National Summit—October 26-27

As we announced last month, the annual State-Federal RPS Summit will be held in Washington, DC in October. We will provide more detailed information about it next month. If you have suggestions for the agenda or format, please let us know.

News Updates

One of several trends—sometimes moving in different directions—taking place in renewable portfolio standards is the broadening out of RPSs by including additional technologies. Each of the first three stories in the news update has to do with the inclusion of a new technology in an RPS:

Delaware Is Poised to Add Fuel Cells to Its RPS

As part of a successful effort to attract Bloom Energy to build a factory with 900 employees in Delaware, state officials offered Bloom Energy a variety of incentives, including making natural-gas-powered fuel cells eligible for the RPS. Legislation to add such fuel cells to the list of eligible technologies has been approved by the state Senate and will be taken up by the House. Some people have raised concerns about this possible change to the RPS, arguing that the RPS should be limited to technologies that are fully renewable, but the legislation is likely to pass and ultimately be signed into

Newsletter Spotlights

- Upcoming Evaluation Report
- RPS Summit—October
- DE poised to add fuel cells to its RPS
- NC Makes Electricity Demand Reduction Eligible
- Solar Water Heating Qualifies for SRECs in MD
- IN Establishes an RPS with Voluntary Goals
- ME Rejects Effort to Cap RPS

law. Assuming the legislation passes, Delmarva Power will purchase and install 30 megawatts of Bloom Energy fuel cells.

North Carolina Makes Electricity Demand Reduction Eligible

Recent legislation (Senate Bill 75 of 2011) added electricity demand reduction to North Carolina's Renewable Energy and Energy Efficiency Portfolio Standard. As the DSIRE website reports (www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NC09R&re=1&ee=1), "Unlike 'energy efficiency measures', which are only allowed to account for 25% of a utility's requirement, electricity demand reduction is capable of meeting up to 100% of a utility's renewable energy requirement under the law. Senate Bill 75 defines electricity demand reduction as 'a measurable reduction in the electricity demand of a retail electric customer that is voluntary, under the real-time control of both the electric power supplier and the retail electric customer, and measured in real time, using two-way communications devices that communicate on the basis of standards.'"

Solar Water Heating Qualifies for SRECs in Maryland

Maryland passed legislation that allows solar hot water systems installed after June 1, 2011 to qualify for the solar carve-out under the state's RPS. Owners of those systems will be able to earn and sell SRECs, although they cannot begin to do so until January 1, 2012. Eligible systems must meet certain specified standards and cannot be used solely for pools and hot tubs. Because the maximum number of SRECs a system can earn is five a year, the program is focused on relatively modest-sized systems. Of course, because solar water heating systems do not produce electricity, their output will not be measured in kilowatt-hours, but will instead be measured in BTUs and translated into kilowatt-hour equivalents.

Indiana Establishes an RPS with Voluntary Goals

After strong bipartisan votes in both houses of the Indiana legislature, Governor Mitch Daniels in May signed a law establishing a voluntary Clean Energy Portfolio Standard. The law is aimed at public utilities and includes a very wide range of technologies, including wind, solar, energy crops, combined heat and power, clean coal, demand side management, energy efficiency, and others. Utilities that choose to participate and are approved by the Indiana Utility Regulatory Commission must get 4% of their electricity from the eligible sources starting in 2013, ramping up to 10% in 2025.

Maine Rejects Effort to Cap RPS

As we reported last month, Maine Governor Paul LePage introduced legislation that would eliminate the scheduled annual increases in the state's RPS targets. After an initial favorable response from many in the legislature, renewable energy generators voiced strong opposition to the legislation and important large electricity users did not view the cap as important, because their savings would have been small. The legislation therefore quickly lost momentum and the legislature passed a revised bill that keeps the current RPS targets in place, but requires the Public Utilities Commission to study whether the RPS with its existing targets is harming ratepayers and to report back to the legislature with possible changes, if warranted.

New CESA Website

CESA has revamped its website (www.cleanenergystates.org) and created a new section specifically for the State-Federal RPS Collaborative and its activities (www.cleanenergystates.org/projects/state-federal-rps-collaborative/). RPS Collaborative webinar presentations and reports can be found here, along with webinar recordings. In the coming weeks, we will add more RPS-related resources and information to the website.

Join the RPS Collaborative Listserve

If you are not already a member of the States Advancing RPS listserv (SARPS1) for the State-Federal RPS Collaborative and want to receive future issues of this newsletter and announcement of collaborative events, please join us. To add or remove your name from the SARPS1 listserv, please email Maria@cleanegroup.org and put "States Advancing RPS" in the subject line. Thank you!

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The State-Federal RPS Collaborative, a joint project of the Clean Energy States Alliance (CESA) and Clean Energy Group, was established to advance dialogue and cooperation among a broad network of state government officials and NGO experts. The Collaborative provides a forum for the exchange of experiences and lessons learned regarding the implementation of state RPS policies and the marketing of RECs or credits across the U.S.