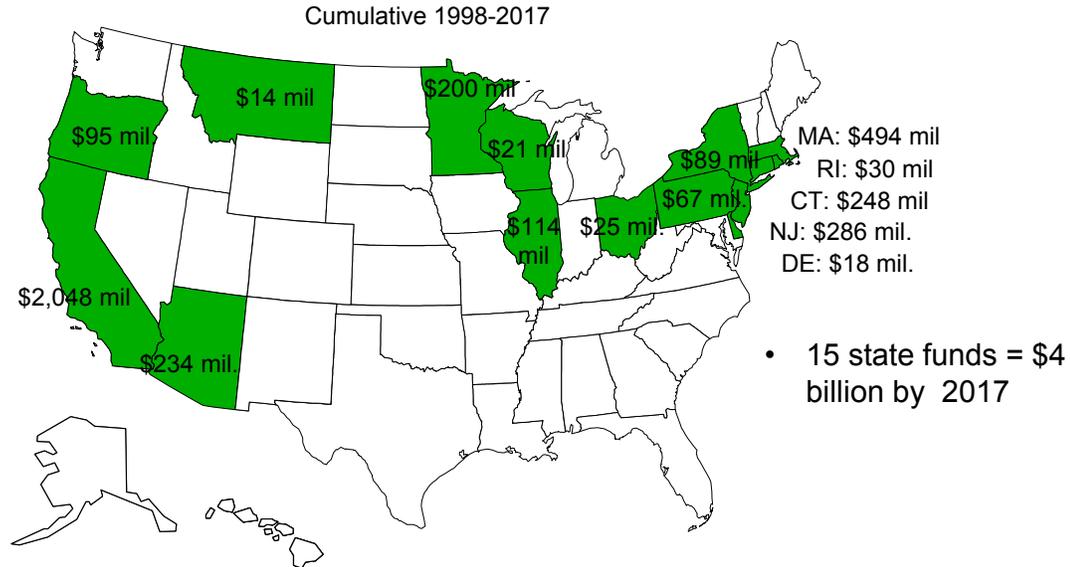


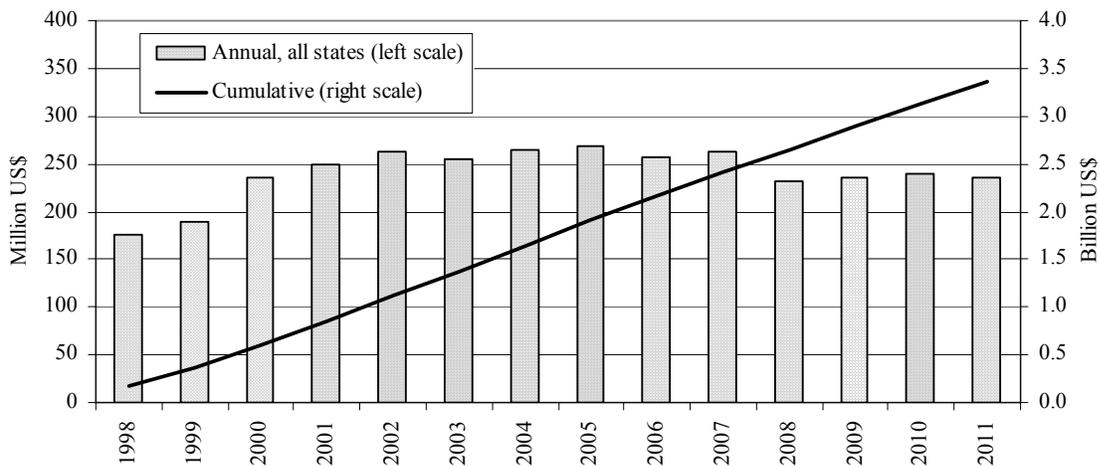
3.2 – States with System Benefit Charges (SBC)

A System Benefit Charge (SBC) is a small fee added to a customer’s electricity bill used to fund programs that benefit the public, such as low-income energy assistance, energy-efficiency, and renewable energy. There are 15 states with SBCs, through which a portion of the money will be used to support renewable resources. Together, these states will collect about \$4 billion in funds to support renewable resources between 1998 and 2017.



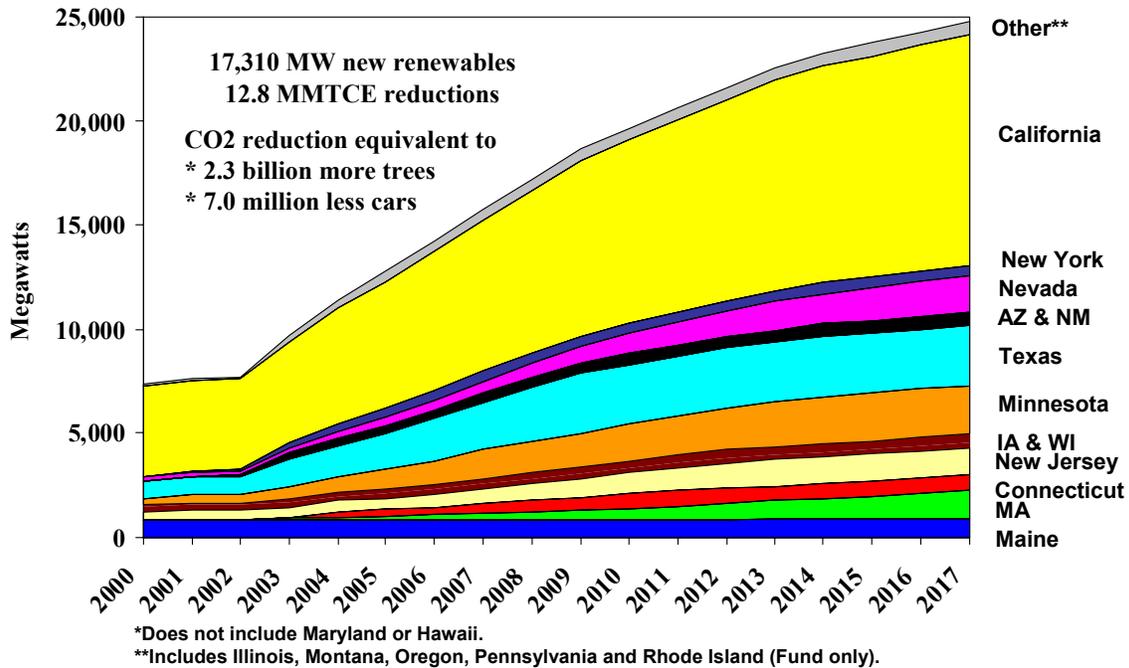
Source: Union of Concerned Scientists, June 2004

Figure 3.2.1. State System Benefit Funds



Source: Bolinger, M., R. Wiser, L. Milford, M. Stoddard, and K. Porter. *Clean Energy Funds: An Overview of State Support for Renewable Energy*, Lawrence Berkeley Laboratory, April 2001.

Figure 3.2.2. Aggregation Annual and Cumulative State Funding



Source: Union of Concerned Scientists, June 2004

Figure 3.2.3. The Future Impact of State Purchase Mandates and Renewable Energy Funds

Table 3.2.1. Renewable Energy Funding Levels and Program Duration

State	Approximate Annual Funding (\$ Million)	\$ Per-Capita Annual Funding	\$ Per-MWh Funding	Funding Duration
CA	135	4.0	0.58	1998 - 2012
CT	15 → 30	4.4	0.50	2000 - indefinite
DE	1 (maximum)	1.3	0.09	10/1999 - indefinite
IL	5	0.4	0.04	1998 - 2007
MA	30 → 20	4.7	0.59	1998 - indefinite
MN	9	N/A	N/A	2000 - indefinite
MT	2	2.2	0.20	1999 - 7/2003
NJ	30	3.6	0.43	2001 - 2008
NM	4	2.2	0.22	2007 - indefinite
NY	6 → 14	0.7	0.11	7/1998 - 6/2006
OH	15 → 5 (portion of)	1.3	0.09	2001 - 2010
OR	8.6	2.5	0.17	10/2001 - 9/2010
PA	10.8 (portion of)	0.9	0.08	1999 - indefinite
RI	2	1.9	0.28	1997 - 2003
WI	1 → 4.8	0.9	0.07	4/1999 - indefinite

Note: Annual and per-MWh funding are based on funds expected in 2001.
Source: Bolinger et al., 2001

Table 3.2.2. State SBC Funding of Large-Scale Renewable Projects

State	Form of Funding Distribution	Level of Funding (\$ Million)	Results ¹	Discounted cents/kWh Incentive over Five Years ²
CA	Five-year production incentive	162	543 MW (assorted)	1.20
		40	471 MW (assorted)	0.59
		40	300 MW (assorted)	0.75
IL	Grant	0.55	3 MW landfill gas	0.57
		1	3 MW hydro	1.86
		0.352	1.2 MW hydro	1.63
		0.55	15 MW landfill gas	0.11
MT	Three-year production incentive	1.5	3 MW wind	3.63
NY	Grants with performance guarantees	9	51.5 MW wind	1.95
		4	6.6 MW wind	6.75
PA	Grant/ production incentive	6	67 MW wind	1.00

¹ Results are projected and are based on announced results of solicitations.
² Incentives have been normalized to their five-year production incentive equivalent using a 10% discount rate.
Source: Bolinger et al., 2001.