

State Renewable Energy News

A Compilation of Renewable Energy Activities in the States

Prepared by the NARUC Subcommittee on Renewable Energy

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State Activities

Montana

PSC Pursues New Line Extension Policy

Montana became the latest state to investigate renewables-based alternatives to traditional utility line extensions when it directed the Montana Power Company (MPC) and other interested parties to provide testimony on issues related to the application of photovoltaics (PV) in lieu of line extensions.

According to the action, the testimony should address quantitative estimates of potential PV-based line extension deferrals and appropriate methods for evaluating PV system economics, accounting, and ratemaking. MPC requested, and was granted, a motion to move this issue to another docket, which will consider renewables more broadly and include other state-regulated utilities.

PSC Contact:

Mike Sheard, (406) 444-6189

Nebraska

Legislature Studying Renewables

The Nebraska state legislature recently passed resolutions calling for two studies to explore the potential of renewables in the state. The first study will review utility R&D efforts and incentives provided by federal legislation and regulation. The second study will examine the feasibility, cost-effectiveness, and availability of wind energy in Nebraska and will create a plan to develop and promote wind energy in the state.

A third study will examine the progress of the state's public power districts in adopting integrated resource planning (IRP) and including environmental externalities in their cost structures.

Energy Office Contact:

Larry Pearce, (402) 471-2867

New Mexico

PSC Finalizes Line Extension Rule

New Mexico utilities are now required to provide applicants for permanent new electric service, meeting certain threshold criteria, with cost estimates from alternative energy suppliers under a PSC order amending the state's utility line extension rules (SREN, Winter 1993).

At the customer's request, the utility shall contact up to three alternative energy system suppliers (including PV, geothermal, and wind energy suppliers) to provide alternative energy system cost estimates to the customer.

Utilities are also required to provide to any customer, upon request, a list of alternative energy suppliers located in or serving New Mexico.

PSC Contact:

Prasad Potturi, (505) 827-6977

New York

State Reaches Renewables Settlement

Parties to the effort to establish a renewable energy set-aside have reached agreement on a plan to acquire up to 387 MW of renewables, with many of the projects to be on line by 1998. The set-aside resulted from a recommendation in the 1992 State Energy Plan to develop a market test/demonstration program to procure 300 MW of a diverse range of renewable resources (SREN, Fall 1992).

The state's seven investor-owned utilities agreed to acquire the following types of projects:

wind	12-36	MW		
hydro	60-70	MW		
photovoltaics	2		MW	
landfill methane			83-133	MW
wood	96	MW		
other	50	MW		

Other terms include:

- procurement of up to 105 MW of the total through competitive bidding
- utility agreement to integrate cost-effective renewables approaches into their everyday operations, wherever feasible, and make a commitment of senior level management towards renewables
- establishment of a standing working group on renewables to work collaboratively on implementation of the settlement and other renewables-related efforts.

PSC Contact:

Paul Agresta, (518) 486-2653

Other Activities

NEES Makes Renewables Commitment

The New England Electric System (NEES) is preparing an enhanced commitment to the development of renewable energy resources as one component of its latest corporate initiative to deliver "environmentally sustainable, low-cost electricity to customers."

The soon-to-be-released NEESPLAN 4 contains a number of commitments, including pursuing wind power and landfill methane projects; installing a biomass gasification facility by 1996; and encouraging the use of photovoltaics located at or near customers' sites. The plan stresses the value of renewables in providing for increased flexibility and a diverse energy mix.

NEES Contact:

Harry Stapleford, (508) 366-9011

Climate Action Plan Includes Renewables

The Clinton Administration has released The Climate Change Action Plan, which responds to President Clinton's earlier commitment to return U.S. greenhouse gas emissions to their 1990 levels by the year 2000. The plan contains several new initiatives to "accelerate the widespread commercial development of renewable energy sources."

Among the initiatives is the formation of renewable technology consortia between utilities and industry that will emphasize commercialization programs for windpower, photovoltaics, biomass, and geothermal energy, beginning in 1994. Through this program, "DOE will facilitate collective purchases of renewable energy technology by States, utilities, and other interested firms." The Administration is proposing to obligate \$72 million in FY 1995 for this action and a total of \$432 million through 2000.

Also included in the Action Plan is an initiative to expand technical and financial assistance to states on IRP, in part, to help in "removing regulatory barriers to increased use of renewables."

DOE Contact:

Allan Hoffman, (202) 586-1786

PSCo Pursues "Green Pricing" Program

Public Service Company of Colorado (PSCo) has become the first U.S. utility to formally announce a customer-funded program for renewable energy development. Under its Voluntary Customer Renewable Energy Program, PSCo will match residential customer contributions for renewables projects "up to the level that the company would spend on conventional resources, such as coal and natural gas." Residential customers received inserts describing the program with their October utility billing statement.

An advisory panel, selected randomly from a pool of interested PSCo customers, will make recommendations to the utility on the renewable energy projects to be funded.

PSCo Contact:

Monique Lovato, (303) 294-8907

PGE Receives Green RFP Responses

Portland General Electric (PGE) received 29 proposals, totaling 626 MW, in response to its recent RFP for up to 50 aMW (100-200 MW) of renewables-based generation (SREN, Summer 1993). Six different renewables technologies were represented in the responses, including biomass, geothermal, hydropower, landfill gas, solar, and wind.

One of the stated objectives of the solicitation was to acquire projects of diverse and proven renewable technologies. Therefore, price will represent only 50% of the selection criteria, and the final portfolio selection may not be least economic cost. Other evaluation criteria will include environmental characteristics and considerations (10%); project characteristics (10%); project viability (10%); and system factors (20%). A project short list is expected by late December, with project selection in mid-1994.

PGE Contact:
Frank Afranji, (503) 464-7033

EPRI Utility Wind Winners Announced

The Electric Power Research Institute (EPRI) announced the selection of three utilities as hosts for its national testing program to evaluate advanced wind turbine technology (SREN, Winter 1993). The joint EPRI/DOE program will assist utilities with wind turbine installation, site operation, and performance evaluation. The advanced turbines will incorporate such improvements as more efficient blades, lighter materials, streamlined designs, and fewer parts for reduced weight and cost.

The utilities selected for the first phase of the \$40 million program are Green Mountain Power in support of an 8-MW wind power plant, Central and South West (6 MW), and Central Maine Power (30 to 50 MW). The selections were based on the progress of each utility's plans for wind power development, and on other factors, including geographic diversity, differing utility grid conditions, and environmental factors such as extremes in weather conditions.

A total of 21 other utilities have indicated an interest in the next phase of the program, for which EPRI and DOE plan to select two or more projects for funding in 1994.

EPRI Contact:
Laury Olson, (415) 855-2764

Utility Consortium Announces PV Initiative

The Utility PhotoVoltaic Group (UPVG), a 69-member utility organization dedicated to PV commercialization, has announced a collaborative program to commercialize cost-effective PV power for utilities. UPVG has proposed a \$510 million program for targeted utility deployment of 50 MW of PV, over a six-year period, to confirm the useful applications of PV systems and to determine their value in utility systems. Under the plan, more than two-thirds of the program funding would come from the private sector.

UPVG Contact:
Bethany Wills, (202) 857-0898

Utilities Moving on Wind

Iowa

Northern Natural Power (NNP) has been selected to develop 23 MW of wind-generated electricity for two Iowa utilities. NNP will build an 18-MW wind farm consisting of 36 500-kW machines, selling the output to Iowa Electric Light and Power Co. (IELP) of Cedar Rapids. Scheduled operation is January 1995.

A separate 5-MW project is being developed by NNP to provide energy for Interstate Power Co. of Dubuque, with a scheduled on-line date of early 1994. This project will consist of 10 500-kW machines.

Both projects will satisfy a state legislative requirement for utility purchase of 105 MW from renewables-based projects (SREN, Summer 1992).

NNP Contact:

Dan Juhl, (507) 532-4502

IELP Contact:

Gayla Huston, (800) 822-4348, x4711

Texas

The Lower Colorado River Authority (LCRA) has entered into negotiations with U.S. Windpower (USW) to build and operate a 50-MW wind plant on state-leased land, with an expected on-line date of mid-1996. LCRA plans to purchase 20 MW from the project and sell the excess to other utilities in the state.

LCRA will be responsible for building the transmission and substation infrastructure, arranging wheeling, interfacing with other utilities, and integrating the project into its system. LCRA anticipates development, over the long term, of up to 300 MW from wind.

LCRA Contact:

Tom Foreman, (512) 473-3200

Minnesota

Construction has begun on a 25-MW wind project being developed by U.S. Windpower under a purchase power agreement with Northern States Power (NSP). The project, selected through a competitive bidding process, is part of a proposed 100-MW total windpower development by NSP. This first project is being built on farm land near Lake Benton in southwestern Minnesota and is expected to be operational by mid-1994.

USW is installing 73 of its 350 kW, variable speed drive wind turbines, slightly modified for the weather conditions. The modifications include lightning protection and black painted blades, which will facilitate de-icing.

NSP Contact:

Glynis Hinschberger, (612) 330-7684

The Chairman of the NARUC Subcommittee on Renewable Energy is The Hon. Renz D. Jennings, Commissioner, Arizona Corporation Commission. He may be reached at (602) 542-3935.

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