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# State Renewable Energy News

## A Compilation of Renewable Electric Activities in the States

Prepared for the NARUC Renewable and Distributed Resources Subcommittee

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Volume 11, No. 3

Fall 2002

### State Activities

#### California

##### **State Enacts 20% Renewables Standard**

Governor Gray Davis signed a bill (SB 1078) that requires the state's three investor-owned utilities to obtain 20% of their power supplies from renewable energy sources by 2017. Non-hydro renewable energy sources currently supply about 12% of the state's electricity mix.

Each utility is required to increase its renewables percentage by 1% per year until the 20% renewables portfolio standard (RPS) is met. With approval of a separate bill (SB 1038), the utilities will be allowed to tap the state's public benefits fund to cover any above-market costs of procuring the renewables power mandated under the RPS.

#### Connecticut

##### **New PV Program Announced**

The Connecticut Clean Energy Fund (CEF) announced the commencement of its Photovoltaic (PV) Program for commercial, industrial, and institutional buildings. The purpose of the program is to stimulate the PV market and demonstrate the use of PV systems as a viable, distributed power resource in Connecticut.

The fund is requesting pre-applications that illustrate innovative, effective, and replicable PV systems on buildings. The pre-applications must be submitted by December 13, 2002. A total of \$1 million will be available to fund the selected projects. The CEF was created in the legislation that restructured the state's electricity industry. (*SREN*, Summer 1998)

**CEF Contact Number:**  
**(860) 563-0015**

#### Maryland

##### **DGS Ups Green Power Purchase**

The Department of General Services (DGS) announced that it is soliciting bids for electricity service in the Conectiv service territory that includes an "aggressive" green power procurement goal of 20%.

Among the state accounts to be served are Salisbury University, the University of Maryland, Eastern Shore, and the Eastern Correctional Institute. The DGS already purchases green power to serve 6% of the load of 18 state agencies and departments in the Annapolis and Baltimore areas, which meets a green power purchase standard established by Governor Parris Glendening in March 2001. (*SREN*, Summer 2001)

##### **DGS Contact:**

**Dave Humphrey, (410) 767-4652**

#### Minnesota

##### **PUC Issues Disclosure Order**

The PUC moved closer to implementation of an information disclosure rule by issuing an order that clarifies the disclosure requirements and sets a procedural schedule for implementation.

Under the proposed rule, utilities must disclose information on fuel mix and emissions to customers twice a year using a standard brochure bill insert. The brochure will contain a pie chart depicting the mix of fuel sources used for electricity generation, a chart comparing air-pollutant emissions by fuel source, and a cost ranking of different generating sources.

##### **PUC Contact:**

**Janet Gonzalez, (651) 296-1336**

## Nevada

### **PUC Sets Renewables Trading Rules**

The PUC adopted a set of staff recommendations to implement a renewable energy credit trading program that will assist utility compliance with the state's RPS law. The RPS law (SB 372), enacted in 2001, requires Nevada's electric utilities to generate or acquire a minimum of 5% of electricity sold to retail customers from renewable energy systems in 2003 and 2004, with the standard increasing by 2% biennially until it reaches 15% in 2013. (*SREN*, Summer 2001)

The renewable credit trading program provides greater flexibility to utilities to comply with the RPS by either owning generating plants or buying generation credits from independent producers. The adopted regulation establishes procedures for the authorization and certification of qualifying renewable electricity generation.

#### **State Energy Office Contact:**

**Carl Linvill, (775) 687-5975**

## New Mexico

### **PRC Considers New Renewables Rule**

The PRC is considering a new rule "to establish a process for promoting the use and development of renewable energy in New Mexico." The rule includes establishment of a renewables portfolio standard, including a renewables credit trading program, and a requirement that utilities offer a "reasonable" net-metering option to renewable energy generators of 100 kW or less in size.

The PRC believes that encouraging the use of renewable energy resources will provide fuel diversity, strengthen the stability of electricity supply, and enhance the health and welfare of the state while reducing the state's reliance on fossil fuel resources and vulnerability to market fluctuations.

The RPS would require utilities to provide 4% of retail jurisdictional energy sales from renewable energy sources beginning in 2004, increasing to 7% in 2007, and reaching 10% by 2010. The new rule also would require

utilities to give preference to renewable energy sources over non-renewable energy sources in future power procurement decisions "if the life cycle costs of the renewable energy are similar to non-renewable sources on a net present value cost basis."

Finally, each public utility would be required to offer a voluntary renewable energy tariff for those customers who want the option to purchase additional renewable energy.

#### **PRC Contact:**

**Maria Brito, (505) 827-6940**

### **PNM Announces Wind Energy Deal**

Public Service Company of New Mexico (PNM) announced that it has entered into an agreement with FPL Energy to purchase the output of a 204-MW wind farm to be developed in eastern New Mexico in 2003. The project was made feasible through a combination of the federal production tax credit for wind energy and state incentives for wind energy development that were enacted by the state legislature earlier in the year. (*SREN*, Summer 2002)

PNM plans to seek regulatory approval for a voluntary tariff, which will allow its customers to buy wind-generated electricity "for a small monthly premium." Any power from the project not subscribed by customers under the green pricing program would be sold on the wholesale market, either within New Mexico or outside the state. When operational, the wind project will represent about 8% of the utility's total generating capacity.

## New York

### **NYSERDA Provides Renewables Support**

Governor George E. Pataki announced that the New York State Energy Research and Development Authority (NYSERDA), which administers the state's systems benefits charge (SBC) fund, will provide more than \$17 million to support the development of five wind farms throughout upstate New York, which will provide 315 MW of clean electricity generation.

NYSERDA is also providing up to \$2 million in financial support to green power marketers who market in-state renewable generation to New York consumers. Funding eligibility will be based on criteria such as level of market activity, previous marketing success, credit worthiness, and eligible product offerings. Funding awards will be based primarily on green product sales performance.

**NYSERDA Contact:**

**John Saintcross, (518) 862-1090 x3384**

**Governor Signs Net Metering Bill**

Governor Pataki also signed legislation that expands the availability of net metering to farm-based anaerobic digester systems. Net-metering regulations already exist for electricity generated by solar panels on homes. It is believed that net metering for digester systems “will make the installation and operation of anaerobic digesters more economically feasible for New York farmers, while providing them with an important tool to address environmental concerns and to reduce their energy costs.”

Vermont

**Information Disclosure Law Passed**

Governor Howard Dean signed into law a bill (S. 138) authorizing the PSB to prescribe standards for electricity suppliers to disclose information on fuel sources and the environmental impacts of electricity generation. This information would be provided to retail customers on an annual or less-frequent basis.

The disclosure standards may address the form of the labels and information related to: retail and wholesale price, terms and conditions of service, the fraction of generation resources in a seller's mix, the environmental effects of each energy source, and a description of other services, such as energy efficiency opportunities.

The law authorizes the PSB to prescribe standards regarding the substantiation and verification of any information disclosed and any claims made by suppliers. The law also directs the board to weigh the costs and

benefits of compliance when setting the standards.

West Virginia

**PSC Investigates Net Metering**

The PSC has opened a general investigation into the feasibility of implementing net-metering programs statewide and has requested that the state's utilities file proposed net-metering tariffs for customers utilizing solar, hydro, or wind energy to generate electricity.

In establishing the docket, the PSC noted that the state utility code “directs the Commission to regulate the practices and services of public utilities for the provision of economical utility services and the encouragement of the productive use of the state's energy resources” and that “net metering has the potential to provide both economic and productive use of the state's renewable energy resources in accordance with the directives” contained in the code.

**Other Activities**

**CRS Certifies Renewable Certificates**

The Center for Resource Solutions (CRS) announced that *Green-e* certification is now available for tradable renewable certificates (TRCs). TRCs involve uncoupling the attributes of renewable energy generation from the physical electricity product, allowing the attributes to be sold separately from the electricity. The availability of TRCs in the market potentially allows renewable plants to be built where cost is lowest while the attributes can be delivered to customers anywhere.

Since 1997, *Green-e* has served as a nationally recognized tool to help consumers identify environmentally superior electricity offerings. Participating marketers voluntarily undergo an independent audit to verify that their products meet stringent consumer and environmental protection criteria.

**CRS Contact:**

**Meredith Wingate, (415) 561-2100**

## **Internet Links:**

**California Senate Bill 1078 Establishing a Renewables Portfolio Standard Program:**  
[http://info.sen.ca.gov/pub/bill/sen/sb\\_1051-1100/sb\\_1078\\_bill\\_20020912\\_chaptered.pdf](http://info.sen.ca.gov/pub/bill/sen/sb_1051-1100/sb_1078_bill_20020912_chaptered.pdf)

**California Senate Bill 1038 Changing Allocation of Renewable Resources Trust Fund:**  
[http://info.sen.ca.gov/pub/bill/sen/sb\\_1001-1050/sb\\_1038\\_bill\\_20020912\\_chaptered.pdf](http://info.sen.ca.gov/pub/bill/sen/sb_1001-1050/sb_1038_bill_20020912_chaptered.pdf)

**Connecticut Clean Energy Fund Web Site:**  
<http://www.ctcleanenergy.com/>

**Maryland DGS News Release on Green Power Purchase:**  
<http://www.dgs.state.md.us/pres s/2002/100902.htm>

**Minnesota PUC Order Clarifying Disclosure Requirements:**  
<http://www.puc.state.mn.us/docs/orders/02-0122.pdf>

**Nevada PUC Renewable Energy Credit Trading Regulation:**  
<http://www.energy.state.nv.us/proposed%20credit%20trading%20regulation.doc>

**Nevada PUC Order Adopting RPS Regulations:**  
[http://puc.state.nv.us/ELECTRIC/dkt\\_01-7029/01-7029oar3.pdf](http://puc.state.nv.us/ELECTRIC/dkt_01-7029/01-7029oar3.pdf)

**New Mexico PRC Notice of Proposed Rulemaking for Renewable Energy Development:**  
<http://www.nmprc.state.nm.us/3619nopr.pdf>

**Public Service of New Mexico News Release on Wind Energy Purchase:**  
[http://www.pnm.com/news/2002/1021\\_wind.htm](http://www.pnm.com/news/2002/1021_wind.htm)

**NYSERDA Renewable Energy Program Web Page:**  
<http://www.nyserdera.org/energyresources/renewableprogramlist.html>

**New York Senate Bill 6592 Expanding Net Metering to Farm Methane Systems:**  
<http://assembly.state.ny.us/leg/?bn=S06592&sh=t>

**Vermont Senate Bill 138 Relating to Electricity Labeling Standards:**  
<http://www.leg.state.vt.us/docs/2002/bills/passed/S-138.HTM>

**West Virginia PSC Order Establishing a General Investigation Into Net Metering Programs:**  
[http://www.psc.state.wv.us/orders/2002\\_10/021495c.htm](http://www.psc.state.wv.us/orders/2002_10/021495c.htm)

**Green-e Certification for Tradable Renewable Certificates:**  
[http://www.green-e.org/what\\_is/dictionary/trc.html](http://www.green-e.org/what_is/dictionary/trc.html)

This newsletter is prepared for the Renewable and Distributed Resources Subcommittee of NARUC's Energy Resources and the Environment (ERE) Committee to promote the sharing of information on state-level renewable electric activities. It is sponsored by the U.S. Department of Energy.

Comments can be directed to Blair Swezey, National Renewable Energy Laboratory, at (303) 384-7455 or [Blair Swezey@nrel.gov](mailto:Blair_Swezey@nrel.gov) Past issues are available at: <http://www.nrel.gov/analysis/sren>

The Subcommittee Chair is the Honorable Phyllis Reha, Commissioner, Minnesota Public Utilities Commission.

# REPORT DOCUMENTATION PAGE

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