Highlights of the
Washington State RPS

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RPS Policies in 29 States (plus DC and PR)
8 States have goals

- WA: 15% x 2020*
- OR: 25% x 2025 (large utilities)*
  5% - 10% x 2025 (smaller utilities)
- NV: 25% x 2025*
- CO: 30% by 2020 (IOUs)
  10% by 2020 (co-ops & large munis)*
- CA: 33% x 2020
- AZ: 15% x 2025
- NM: 20% x 2020 (IOUs)
  10% x 2020 (co-ops)
- HI: 40% x 2030
- MT: 15% x 2015
- ND: 10% x 2015
- SD: 10% x 2015
- WI: Varies by utility:
  10% x 2015 statewide
- KS: 20% x 2020
- MO: 15% x 2021
- NC: 12.5% x 2021 (IOUs)
  10% x 2018 (co-ops & munis)
- TX: 5,880 MW x 2015
- MN: 25% x 2025 (Xcel: 30% x 2020)
- MI: 10% & 1,100 MW x 2015*
- VT: (1) RE meets any increase in retail sales x 2012;
  (2) 20% RE & CHP x 2017
- NY: 29% x 2015
- OH: 25% x 2025
- WV: 25% x 2025*
- VA: 15% x 2025*
- MA: 22.1% x 2020
  New RE: 15% x 2020
  (+1% annually thereafter)
- RI: 16% x 2020
- CT: 23% x 2020
- PA: ~18% x 2021†
- NJ: 20.38% RE x 2021
  +5,316 GWh solar x 2026
- MD: 20% x 2022
- DE: 25% x 2026*
- DC: 20% x 2020
- PR: 20% x 2035

- WEBSITES: [dsireusa.org](http://dsireusa.org) / June 2011

- Renewable portfolio standard
- Renewable portfolio goal
- Solar water heating eligible
- Minimum solar or customer-sited requirement
- Extra credit for solar or customer-sited renewables
- Includes non-renewable alternative resources
Great Variety in State Renewable Standards

- Standards can apply to some or all utilities
  - In many states, they only apply to IOUs
  - In WA, it applies to all larger utilities
- No consistent definition of qualifying renewables
  - Most are obvious: wind, solar, biomass
  - Some are controversial: existing hydro, new hydro, incremental hydro; municipal solid waste
- Many qualifications: For example, Oregon sets different targets for different size utilities.
Washington standard should be unique because Washington is unique

- 64% of state load currently met by hydropower, a low cost, variable, carbon-free renewable
- BPA supplies about half the power to the state (hydro and nuclear generation augmented with coal and natural gas purchases)
- Served by both public and private utilities
  - 60 consumer owned utilities (55% of load) and 3 IOUs (45% of load).
Energy Independence Act

- I-937 passed in November 2006
- Applies to utilities with more than 25,000 customers. Includes:
  - Energy efficiency requirements
  - Renewables requirements
  - Implementation and Enforcement (including noncompliance penalties)
Summary of I-937
Energy Efficiency Requirements

- Pursue all cost-effective energy efficiency
- Use methodology consistent with Power Council’s to develop a 10-year target every two years
- Achieve 20% of 10-year target every two years
- Utilities are now working to meet their first two year target; their next two-year target is due by Jan. 1, 2012.
Summary of I-937
Renewables Requirements

- 3% of load by 2012, 9% by 2016, 15% by 2020
- May meet targets by:
  1. Owning eligible renewable resources
  2. Buying power from eligible renewable resources
  3. Buying renewable energy credits (RECs)
- Cost cap provides exception for utilities when compliance costs more than 4% of current revenue. Utilities with no load growth have a lower cost cap (1%)
Issues and Perceptions I

- How “green” is WA? We have a relatively low RPS (15%) but large amounts of carbon-free power (70% and rising).
- Why limit renewables to the BPA footprint? It restricts our utilities’ options and other states object.
- Some utilities have to acquire power they don’t need and, as a result, displace hydro. Can we fix this and still meet our green energy goals?
Issues and Perceptions II

• Should energy efficiency be allowed to substitute for renewables under some conditions when it is cheaper?
  • For example: should efficiency gains by those covered Washington utilities that exceed a proportionate share of the Sixth Power Plan target for the region be treated as a partial offset to the obligation to diversify?
• Can we reduce the challenges of large amounts of wind?
  • For example, count hydropower when substituted for wind during oversupply events
• Can we get a package of needed technical fixes passed?
The End