Renewable Portfolio Standard (RPS)

Objective is to increase the percentage of renewable energy serving NY retail load

NY Public Service Commission
Order Approves Implementation Plan
April 15, 2005 (Case 03E0188)
Renewable Portfolio Standard (RPS)

- Renewable energy to serve 25% of retail sales in 2013
- **Existing** resources to account for 19.5%
- **Incremental** requirement to be satisfied by:
  - Central procurement (NYSERDA).................. (9,800+ GWH)
  - Behind the meter (NYSERDA)...................... (200+ GWH)
  - Voluntary Green Retailing (NYSERDA).......... (1,800+ GWH)
  - State Agency Procurement (EO 111)............(300+ GWH)

- PSC authorized collections of:
  - Main-Tier Central Procurement  ~$618 M cumulative
  - Customer-Sited Tier Program  ~ $124 M cumulative
RPS Tiers

- **Main Tier**
  - Upgrade or new construction
  - on or after January 1, 2003
  - NYSERDA competitively procures rights to environmental attributes (aka. Renewable Energy Credits or RECs)

- **Customer-Sited Tier**
  - Incentive based program for small scale (<1 MW) “behind the meter” renewable generation
  - Fuel cells, solar, wind, manure digesters operated on or after January 1, 2003
Eligible Anaerobic Digester Power

- PSC Order June 29, 2005

- Customer-sited Tier can include anaerobic digestion systems, including:
  - Digesters on- or off-farm
  - Digester systems that use food processor waste for production of biogas power
  - Others? Municipal waste water? Food waste feedstock at municipal site? Crop feedstocks?
Potential Types of Incentives

- **Capacity Payments** – based on kilowatt capacity of the biogas generator installed
  
  - $500 to $1000/kW range

- **Production Payments** – based on kilowatt-hours of actual electricity production in early years of operation (~ 3-5 years)
  
  - $0.03 to 0.07/kWh range
Issues to be Resolved

- Eligibility – net metering
- Ownership of attributes
- Feedstocks
- Total funding for customer tier program and digesters