Senate RES - Various Provisions Erode Support for Renewable Energy Development

NOTES:
Senate 15% by 2021 RES – Nominal Target + State RES: 23 of the 29 states plus Washington, DC with renewable electricity standards have nominal targets equal to or above those established under the federal RES passed by the Senate ENR committee. This assumes that all states do not allow the trading of the additional federal renewable energy credits from their higher state standards, thereby creating a ‘floor’ for U.S. renewable energy development upon which states can continue to build. As a result, total U.S. renewable energy generation would be higher than the federal target.

Utility Exemptions: All electric utilities with annual sales less than 4 million MWh are exempt from the RES. In addition, all electric utilities in Hawaii are exempt. Combined, this reduces the total U.S. electric sales that fall under the RES by more than 21 percent.

Nuclear/CCS Baseline Exclusion: Generation from new nuclear capacity additional, uprates at existing nuclear facilities, and new coal facilities that use carbon capture and storage technology is eligible for exclusion from the baseline sales on which an electric utility’s requirement is calculated. This analysis conservatively assumes this baseline exclusion includes 4.4 GW of nuclear capacity by 2020 (and 7.2 GW by 2030) and 2 GW of Coal with CCS by 2017, based on projections in the EIA’s Annual Energy Outlook 2009. If additional policy mechanisms are adopted to provide further support for nuclear and CCS technologies, the effect on required renewable energy generation under the federal RES could be significantly greater.

Additional RE from State RES Eligible: This assumes that all states allow the trading of additional federal renewable energy credits from their higher state standards. As a result, the amount of new renewable energy generation required to meet the federal RES is significantly reduced, placing a defacto ‘ceiling’ on total U.S. renewable energy development.

Union of Concerned Scientists, October 22, 2009. Contact: Jeff Deyette at jdeyette@ucsusa.org