

# 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