

Delaware's Renewable Energy Taskforce

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What is a Renewable Portfolio Standard (RPS)?

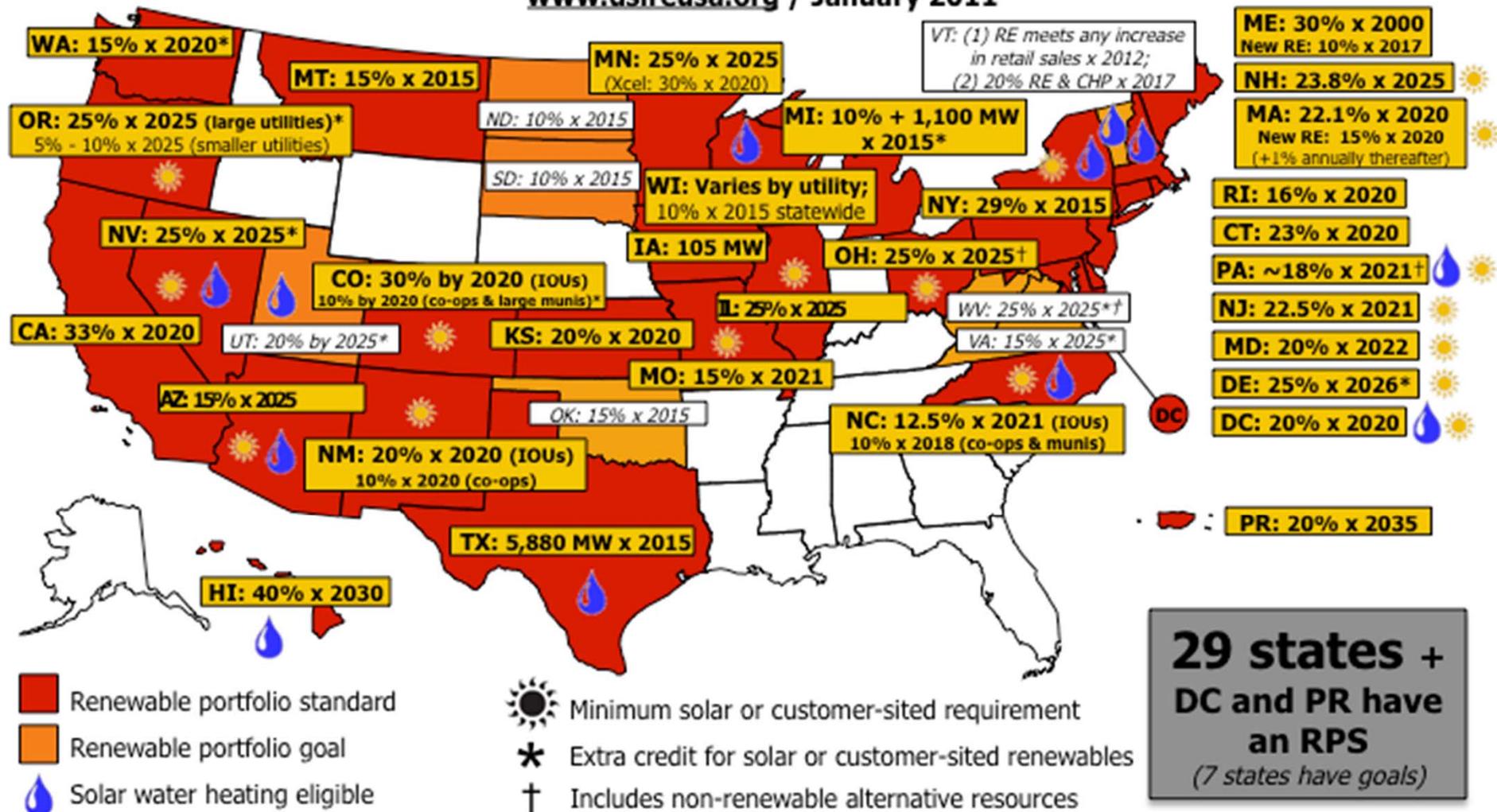
- Requires utilities to gradually increase the portion of their electricity produced by renewable energy
- Market-based mechanism
- Performance-based
- Lowest cost solution

Why have an RPS?

- Environmental benefit
 - (e.g., air pollution, public health)
- Jobs and economic development
- Energy independence and diversified energy supply
- Reduced congestion and supply limitations (45% imported)

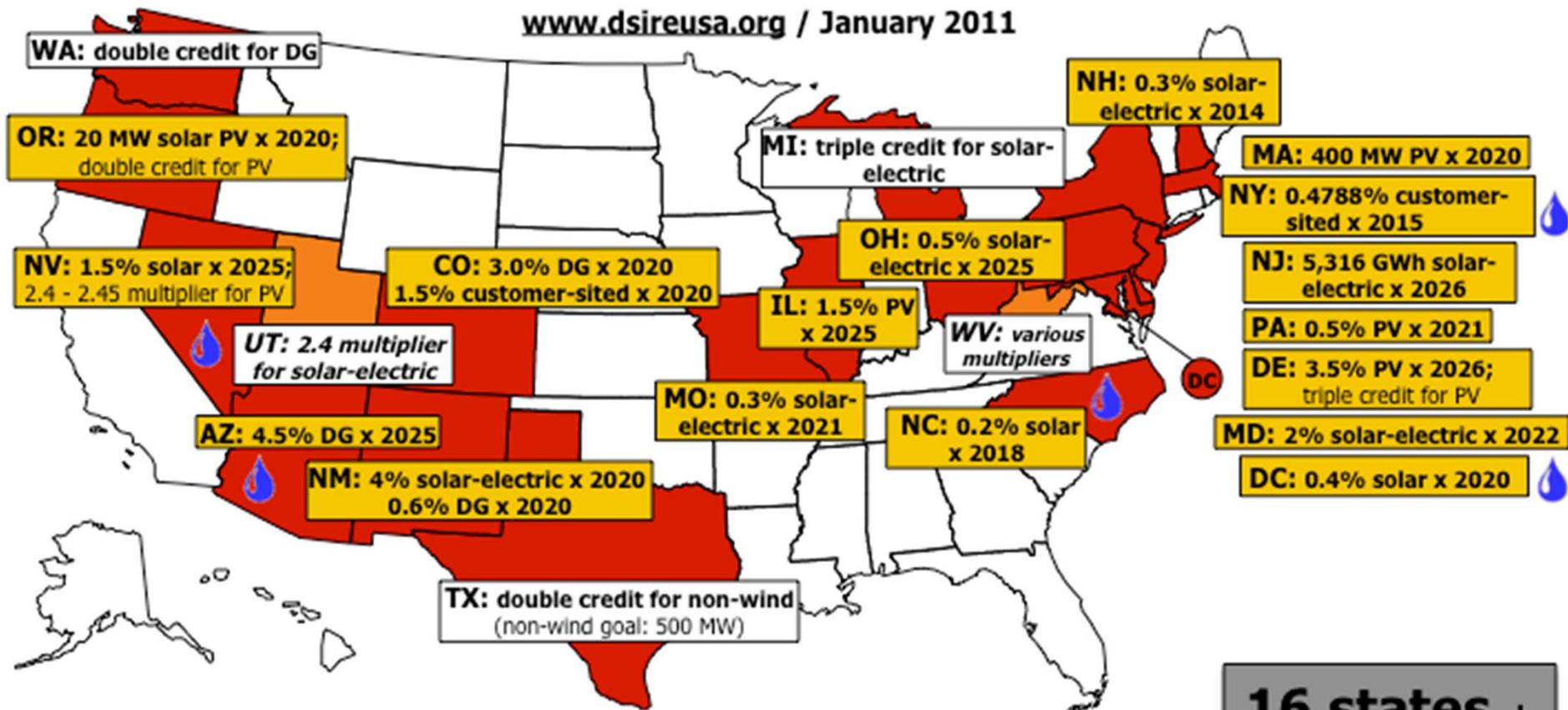
RPS Policies

www.dsireusa.org / January 2011



RPS Policies with Solar/DG Provisions

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-  Renewable portfolio standard with solar / distributed generation (DG) provision
-  Renewable portfolio goal with solar / distributed generation provision
-  Solar water heating counts toward solar provision

16 states + DC have an RPS with solar/DG provisions

Renewable Portfolio History in DE

- Strong bipartisan support
- Originally signed in July 2005 (SB74)
- Amended in July 2007 (SB19)
- Amended again in July 2010 (SB119-SS1)

Delaware Renewable Energy Portfolio Standards

Title 26, Chapter 1, Subchapter III-A

§351.(b) The General Assembly finds and declares that the benefits of electricity from renewable energy resources accrue to the public at large, and that electric suppliers and consumers share an obligation to develop a minimum level of these resources in the electricity supply portfolio of the state. These benefits include improved regional and local air quality, improved public health, increased electric supply diversity, increased protection against price volatility and supply disruption, improved transmission and distribution performance, and new economic development opportunities.

Renewable Energy Requirements

Compliance Year	Minimum Cumulative % from Eligible Energy Resources	Minimum Cumulative % from Eligible Solar Photovoltaics
2011	7.00%	0.20%
2012	8.50%	0.40%
2013	10.00%	0.60%
2014	11.50%	0.80%
2015	13.00%	1.00%
2016	14.50%	1.25%
2017	16.00%	1.50%
2018	17.50%	1.75%
2019	19.00%	2.00%
2020	20.00%	2.25%
2021	21.00%	2.50%
2022	22.00%	2.75%
2023	23.00%	3.00%
2024	24.00%	3.25%
2025	25.00%	3.50%

A note about DEMEC and the DE Electric Cooperative

§363.(a) Any municipal electric company and any rural electric cooperative may elect to exempt itself from the requirements of this subchapter, if it develops and implements a comparable program to the renewable energy portfolio standards for its ratepayers beginning in 2013.

Key Elements of Delaware's RPS

- Consumer price protection
- Incentives for in-state manufacturing
- Incentives for in-state labor
- Delaware renewable industries and jobs
 - Solar example: over 200 installers and hundreds in manufacturing and R&D

The Renewable Energy Taskforce

§360.(d) The Renewable Energy Taskforce shall be formed for the purpose of making recommendations about the establishment of trading mechanisms and other structures to support the growth of renewable energy markets in Delaware.

Taskforce Appointees

Appointment outlined in the legislation	Appointee
Renewable Energy Research and Development Industry (1 of 4 from the Secretary of DNREC)	Stanley Merritt, DuPont Photovoltaic Solutions
Local Renewable Energy Manufacturing Industry (1 of 4 from the Secretary of DNREC)	Daniel Tompkins, Motech Americas
Environmental Advocacy Organization (1 of 4 from the Secretary of DNREC)	Tom Noyes
Appointee at the discretion of the Secretary of DNREC (1 of 4 from the Secretary of DNREC)	Carolyn Snyder, DNREC
Delaware Public Service Commission	Arnetta McRae, Chair
Delmarva Light and Power	Glenn Moore, VP
Delaware Electric Cooperative	Bill Andrew, President & CEO
Municipal electric companies	Pat McCullar, President & CEO
Sustainable Energy Utility	Senator Harris B. McDowell
Delaware Public Advocate	Michael Sheehy, Deputy Director
Delaware Solar Energy Coalition	Dale Davis, President

Taskforce Charges

Taskforce Charges (§360.5 (a)-(g))

- a. Establishing balanced markets mechanisms for REC and SREC trading
- b. Establishing REC and SREC aggregation mechanisms and other devices to encourage the deployment of renewable, distributed renewable, and solar energy technologies in Delaware with the least impact on retail electricity suppliers, municipal electric companies and rural electric cooperatives
- c. After an analysis by the Taskforce, the annual progress towards achieving the minimum cumulative percentages for all renewable energy resources including, but not limited to, solar and other eligible energy resources and making appropriate recommendations based upon deliberate and factual analysis and study
- d. Minimizing the cost for complying with any portion of this subchapter based upon deliberate and factual analysis and study
- e. Establishing revenue certainty for appropriate investment in renewable energy technologies, including, but not limited to, consideration of long-term contracts and auction mechanisms
- f. Establishing mechanisms to maximize in-state renewable energy generation and local manufacturing
- g. Ensuring that residential, commercial, and utility scale photovoltaic and solar thermal systems of various sizes are financially viable and cost-effective investments in Delaware

Taskforce Reporting

§360.3

The Taskforce shall make recommendations to the Commission, the Secretary of DNREC, the Board of Directors for rural electric cooperatives, and the pertinent local regulatory authorities on the abovementioned subjects for their consideration. Upon making these recommendations, the Commission, DNREC, the Board of Directors for rural electric cooperatives, or the pertinent local regulatory authorities, as appropriate, shall promulgate rules and regulations, or adopt policies, based on the Taskforce findings.

Taskforce Activities

- First meeting: September 2, 2010
- Total: six meetings in first four months
- All materials are available from the website:
 - (agendas, minutes, and handouts)

[http://www.dnrec.delaware.gov/energy/information/Pages/DE Renewable Energy Taskforce.aspx](http://www.dnrec.delaware.gov/energy/information/Pages/DE_Renewable_Energy_Taskforce.aspx)

Topics outside the charge of this Renewable Energy Taskforce

- Evaluating the successes or failures of the Renewable Energy Portfolio Standard.
- Determining, evaluating and/or changing rates or rate structures.
- Changing and/or amending legislation.