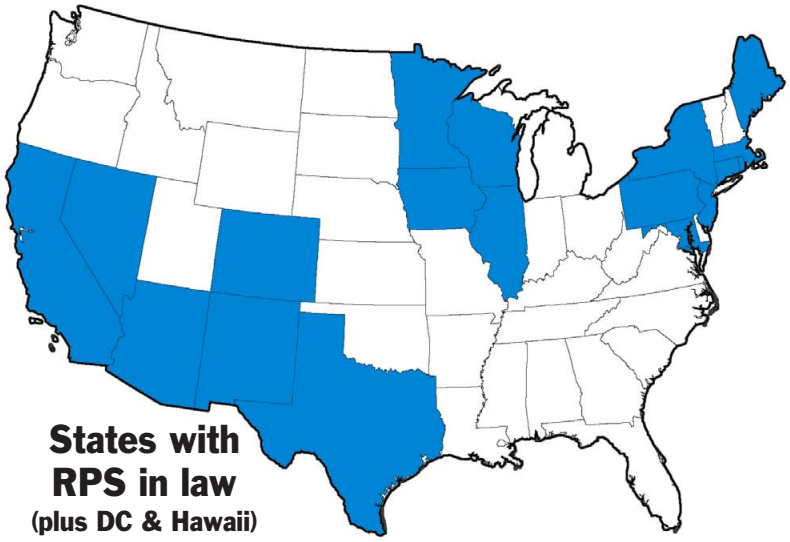
The Power of Renewables

Renewable Portfolio Standards

A renewable portfolio standard (RPS) is shorthand for a state-legislated requirement that investor-owned utility companies include a specified percentage of electric power from renewable energy resources (i.e., from wind, hydro, solar or biomass) in their "portfolio" of energy-generation sources. In Texas, municipally owned utilities and electric co-ops are exempted from the state RPS law, but some (Austin Energy and CPS of San Antonio, for example) have self-imposed requirements.

State	RPS requirement (% of sales, deadline)	
Maine	30%	by 2000
New York	24%	by 2013
California	20%	by 2017
Hawaii	20%	by 2020
Minnesota	19%	by 2015
Rhode Island	16%	by 2019
Nevada	15%	by 2013
Washington, DC	11%	by 2022
Connecticut	10%	by 2010
New Mexico	10%	by 2011
Colorado	10%	by 2015
Swinford proposal	**10,880 MW (9%) by 2015**	
Illinois	8%	by 2012
Pennsylvania	8%	by 2020
Maryland	7.5%	by 2019
New Jersey	6.5%	by 2008
SB 533 (by Fraser)	**5,880 MW (4.9%) by 2015**	
Massachusetts	4%	by 2009
Texas (current)	**2,880 MW (2.7%) by 2009**	
Wisconsin	2.2%	by 2011
Iowa	2%	by 2000
Arizona	1.1%	by 2007



States with RPS in law (plus DC & Hawaii)

10,880 MW is the right number for Texas. Here's why...

Economist Ray Perryman forecasts:

- More than $7 billion in net economic benefits by 2015
- Annual power cost savings greater than the annual cost of transmission upgrades

ERCOT CEO Thomas Schrader says:

"There is no known absolute technical reason why Texas could not strive for 10,880 MW by 2015."

The Texas Legislature should adopt a goal of 10,880 MW renewable energy by 2015

(Texas' expected renewable energy installations by end of 2005 = 3,247 MW)

Diversify Texas' energy portfolio and support home-grown resources.
Texas needs more energy sources for its future. More renewable energy is an important part of the solution in achieving a balanced portfolio. 10,880 MW in 2015 will provide a very achievable 9% of electric use.

RPS drives transmission planning & enables more wind power.
Without adding transmission, Texas can't add much more low-cost wind power; new power lines also enable other new power plants for Texas' future.

Bigger RPS is a "welcome mat" for entire renewables industry.
Without bigger Texas RPS, industry may look to invest first in states with more attractive renewable programs (11 states have RPS of 10% or higher).

Texans want more clean renewable energy.
80% support renewable energy and requiring its use according to a Feb. 2005 poll by the oil & gas industry (Texas Alliance of Energy Producers). Newspapers across the state support Texas setting more visionary renewable energy targets.

Bigger RPS = more benefits (more taxes, more clean air, more jobs)
Benefits of 10,000 MW of wind development:

- More than $7 billion net economic benefits by 2015
- State and local tax revenues of more than $100 million per year
- Cleaner Air—reduces smog gases by about 20,000 tons/year
- Saves Water—about 15 billion gallons every year

RPS gives opportunities for farm-based resources in rural Texas

"What's the good of a goal that you're almost guaranteed to surpass? The new target must be achievable, but it should also make us reach. Let's say we double it (the 5,000 megawatt goal): 10,000 megawatts by 2015…Texas has been a leader on renewable energy. The Legislature should renew that leadership."
Dallas Morning News, April 5, 2005.