



SENATE BILL 3: Promote Renewable Energy/Energy Efficiency

BILL ANALYSIS

Committee:		Date:	August 20, 2007
Introduced by:	Sen. Albertson	Summary by:	Jeff Hudson, Staff Attorney
Version:	S.L. 2007-397		

SUMMARY:

Senate Bill 3 would:

Establish a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina that would include:

- *A 12.5% REPS for electric public utilities.*
- *A 10% REPS for electric membership corporations and municipalities that sell electric power in the State.*
- *Provisions to encourage the use of solar energy, swine waste, and poultry waste resources.*
- *Provisions to encourage the implementation of demand-side management and energy efficiency programs.*

Amend the cost recovery procedures for electric power suppliers to provide for:

- *Recovery of additional costs under the annual fuel charge.*
- *Ongoing review of construction costs and the inclusion of construction costs in rates.*
- *Recovery of construction costs for out-of-state electric generating facilities.*
- *Recovery of project development costs for nuclear facilities.*
- *Expanded recovery of construction work in progress under certain circumstances.*

Adjust the public utility and electric membership corporation regulatory fees.

Phase out the sales taxes paid by farmers and manufacturers for electricity, piped natural gas, and other fuels.

Establish renewable energy tax credits.

BILL ANALYSIS:

ESTABLISH RENEWABLE ENERGY AND ENERGY EFFICIENCY PORTFOLIO STANDARD.

Renewable Energy Portfolio Standards (REPS) require that utilities operating within a state provide a designated amount or percentage of power from renewable energy resources as a portion of their overall provision of electricity. Iowa enacted the first REPS in 1991 and as of June 2007, REPS have been enacted by the majority of the 24 states and the District of Columbia that have adopted standards requiring electric utilities to generate electricity from renewable resources. Over half of the American public lives in a state in which a REPS is in effect. The map at the end of this analysis identifies those states that have adopted standards for renewable energy generation.

Senate Bill 3

Page 2

States have adopted or expanded their REPS for many reasons including: economic development benefits through the promotion of a state's renewable energy resources; potential for jobs creation; prospect of increased reliability in electricity supply; and reduction of conventional air pollutants and greenhouse gases.

(From: *Race to the Top: The Expanding Role of U.S. State Renewable Portfolio Standards*, <http://www.pewclimate.org/docUploads/RPSReportFinal%2Epdf>.)

Section 1 would provide that it is the policy of the State to promote the development of renewable energy and energy efficiency through the implementation of a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) that will:

- Diversify the resources used to reliably meet the energy needs of consumers in the State.
- Provide greater energy security through the use of indigenous energy resources available within the State.
- Encourage private investment in renewable energy and energy efficiency.
- Provide improved air quality and other benefits to energy consumers and citizens of the State.

Section 2 defines "renewable energy resource" as a solar electric, solar thermal, wind, hydropower, geothermal, or ocean current or wave energy resource; a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane; waste heat derived from a renewable energy resource and used to produce electricity or useful, measurable thermal energy at a retail electric customer's facility; or hydrogen derived from a renewable energy resource. "Renewable energy resource" does not include peat, a fossil fuel or nuclear energy resource.

Section 2 would establish a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina as follows:

Electric Public Utilities

Each electric public utility in the State would have to meet the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) according to the following schedule:

<u>Calendar Year</u>	<u>REPS Requirement</u>
2012	3% of 2011 North Carolina retail sales
2015	6% of 2014 North Carolina retail sales
2018	10% of 2017 North Carolina retail sales
2021 and thereafter	12.5% of 2020 North Carolina retail sales

Senate Bill 3

Page 3

An electric public utility could meet the REPS requirement by doing any one or more of the following:

- Generate electric power at a new renewable energy facility.
- Use a renewable energy resource to generate electric power at a generating facility.
- Reduce energy consumption through the implementation of an energy efficiency measure.
- Purchase electric power from a new renewable energy facility.
- Purchase renewable energy certificates derived from in-state or out-of-state new renewable energy facilities.
- Use electric power that is supplied by a new renewable energy facility or saved due to the implementation of an energy efficiency measure that exceeds the requirements of this section for any calendar year as a credit towards meeting the requirements of this section in the following calendar year or sell the associated renewable energy certificates.

Electric Membership Corporations and Municipalities

Each electric membership corporation and municipality that sells electric power to retail electric customers in the State would have to meet the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) according to the following schedule:

<u>Calendar Year</u>	<u>REPS Requirement</u>
2012	3% of 2011 North Carolina retail sales
2015	6% of 2014 North Carolina retail sales
2018 and thereafter	10% of 2017 North Carolina retail sales

An electric membership corporation or municipality could meet the REPS requirement by doing any one or more of the following:

- Generate electric power at a new renewable energy facility.
- Reduce energy consumption through the implementation of an energy efficiency measure.
- Purchase electric power from a new renewable energy facility.
- Purchase renewable energy certificates derived from in-state or out-of-state new renewable energy facilities.
- Acquire all or part of its electric power from an electric power supplier who meets the requirements of this section.
- Use electric power that is supplied by a new renewable energy facility or saved due to the implementation of an energy efficiency measure that exceeds the requirements of this section for any calendar year as a credit towards meeting the requirements of this section in the following calendar year or sell the associated renewable energy certificates.

Use of Solar Energy Resources

For calendar year 2018 and each calendar year thereafter, at least two tenths of one percent (0.2%) of the total electric power in kilowatt-hours sold to retail electric customers in the State would have to be supplied by a combination of new solar electric facilities and new metered solar thermal energy facilities

Senate Bill 3

Page 4

that use solar hot water, solar absorption cooling, solar dehumidification, solar thermally driven refrigeration, or solar industrial process heat. Electric power suppliers would comply with these requirements according to the following schedule:

<u>Calendar Year</u>	<u>Requirement for Solar Energy Resources</u>
2010	0.02%
2012	0.07%
2015	0.14%
2018	0.20%

Use of Swine Waste Resources

For calendar year 2018 and each calendar year thereafter, at least two tenths of one percent (0.2%) of the total electric power in kilowatt-hours sold to retail electric customers in the State would have to be supplied by swine waste. Electric power suppliers would comply with these requirements according to the following schedule:

<u>Calendar Year</u>	<u>Requirement for Swine Waste Resources</u>
2012	0.07%
2015	0.14%
2018	0.20%

Use of Poultry Waste Resources

For calendar year 2014 and each calendar year thereafter, at least nine hundred thousand (900,000) megawatt-hours of the total electric power sold to retail electric customers in the State would have to be supplied by poultry waste. Electric power suppliers would comply with these requirements according to the following schedule:

<u>Calendar Year</u>	<u>Requirement for Poultry Waste Resources</u>
2012	170,000 megawatt-hours
2013	700,000 megawatt-hours
2014	900,000 megawatt-hours

Control of Emissions

A biomass combustion process at any new renewable energy facility that delivers electric power to an electric power supplier would have to reduce emissions of air pollutants to the degree that is achievable for the facility, taking into account energy, environmental, and economic impacts and other costs.

Cost Cap

The recovery of costs that would be incurred by an electric power supplier to comply with the REPS requirements could not exceed an amount equal to the per-customer annual charges in the following schedule:

Senate Bill 3

Page 5

<u>Customer Class</u>	<u>2008-2011</u>	<u>2012-2014</u>	<u>2015 and thereafter</u>
Residential per account	\$10.00	\$12.00	\$34.00
Commercial per account	\$50.00	\$150.00	\$150.00
Industrial per account	\$500.00	\$1,000.00	\$1,000.00

Adoption of Rules by the Utilities Commission

The Utilities Commission (Commission) would adopt rules to implement the REPS requirements that specifically:

- Provide for the monitoring of compliance with and enforcement of the REPS requirements.
- Include a procedure to modify or delay the REPS requirements in whole or in part if the Commission determines that it is in the public interest to do so and the public utility demonstrates that it has made a reasonable effort to meet the REPS requirements.
- Ensure that energy credited toward compliance with the provisions of this section not be credited toward any other purpose.
- Establish standards for interconnection of renewable energy facilities and other non-utility owned generation with a generation capacity of 10 megawatts or less to a public utility's electric distribution system.
- Ensure that the owner and operator of each renewable energy facility that delivers electric power to an electric power supplier is in substantial compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources.
- Consider whether it is in the public interest to adopt rules for electric public utilities for net metering of renewable energy facilities with a generation capacity of one megawatt or less.
- Track and account for renewable energy certificates.

Reports, Evaluation, and Analysis

No later than October 1 of each year, beginning October 1, 2008, the Commission would submit a report on the activities taken by the Commission to implement and by electric power suppliers to comply with the REPS requirements to the Governor, the Environmental Review Commission, and the Joint Legislative Utility Review Committee.

The Commission would establish a procedure for evaluating renewable energy technologies; standards to ensure that renewable energy technologies do not harm the environment, natural resources, cultural resources, or public health, safety, or welfare of the State; and a permitting program to implement these protective standards.

No later than September 1 2008, the Commission would prepare and submit an analysis of whether rate structures, policies, and measures, including decoupling, in place in other states and countries that promote a mix of generation involving renewable energy sources and demand reduction should be implemented in North Carolina to the Governor, the Environmental Review Commission, and the Joint Legislative Utility Review Committee.

No later than October 1 of odd-numbered years, beginning October 1, 2009, the Commission would submit to the Governor, the Environmental Review Commission, and the Joint Legislative Utility Review Committee a report on the actual results of the costs allocation established by the act.

Senate Bill 3

Page 6

Section 3 would provide that if the federal government imposes requirements similar to the REPS requirements on electric power suppliers in the State, the Commission will determine the applicability of federal and State requirements so as to apply the more stringent requirements. The Commission would adopt rules to establish a procedure as an alternative to the procedure set out in G.S. 62-133 to annually adjust the rates of electric public utilities to allow timely recovery of all reasonable costs of compliance with the federal and State requirements. In adopting rules to establish the procedure, the Commission would incorporate the provisions of this act in accordance with this section and the public interest.

DEMAND-SIDE MANAGEMENT AND ENERGY EFFICIENCY MEASURES.

Section 2 defines "Demand-side management" as activities, programs, or initiatives undertaken by an electric power supplier or its customers to shift the timing of electricity use from peak to non peak demand periods. 'Demand side management' includes, but is not limited to, load management, electric system equipment and operating controls, direct load control, and interruptible load. This section defines "energy efficiency measure" as an equipment, physical, or program change implemented after 1 January 2007 that results in less energy used to perform the same function. 'Energy efficiency measure' includes, but is not limited to, energy produced from a combined heat and power system that uses non-renewable energy resources. 'Energy efficiency measure' does not include demand side management.

Section 4 would direct electric power suppliers to implement demand-side management and energy efficiency measures to establish the least cost mix of demand reduction and generation measures that meet the electricity needs of its customers. An electric power supplier may petition the Commission to approve an annual rider to its rates to recover all reasonable and prudent costs incurred for adoption and implementation of demand-side management and energy efficiency measures adopted and implemented after 1 January 2007. The Commission would assign the costs of measures only to the class of customers that directly benefit from the measures. No costs of demand-side management or energy efficiency programs would be assigned to an industrial customer that has or will implement its own demand-side management and energy efficiency measures. Recoverable costs would include, but not be limited to, all capital costs, including cost of capital and depreciation expenses, administrative costs, implementation costs, incentive payments to program participants, and operating costs.

AMEND COST RECOVERY PROCEDURES FOR ELECTRIC POWER SUPPLIERS.

Section 5: Recovery of Additional Costs under the Annual Fuel Charge.

Section 5 would shift the recovery of certain costs incurred by an electric public utility from recovery through the rate base to recovery through the annual fuel charge adjustment. The new costs that would be recoverable under this provision would be:

- The cost of ammonia, lime, limestone, urea, dibasic acid, sorbents, and catalysts consumed in reducing or treating emissions. These costs would be adjusted for gains or losses resulting from the sale of byproducts produced in the generation process.
- The total delivered non-capacity related costs, including all related transmission charges, of all purchases of electric power by the electric public utility.
- The capacity costs associated with purchases of electric power from qualifying cogeneration facilities and qualifying small power production facilities.
- Except for those costs recovered pursuant to the new REPS requirement statute, the total delivered costs of purchases of power from renewable energy facilities and new renewable energy facilities pursuant to the REPS requirement or any similar federal requirement.

Senate Bill 3

Page 7

- Cost recoverable under the fuel charge would be adjusted for gains or losses resulting from the sale of fuel, and other fuel related costs components.

For the total delivered non-capacity costs, the capacity costs associated with purchasing electric power from qualifying cogeneration and qualifying small power production facilities, and the costs of purchases of power from renewable energy facilities and new renewable energy facilities, the annual increase in the aggregate amount of these costs that are recoverable by an electric public utility could not exceed two percent (2%) of the electric public utility's total North Carolina retail jurisdictional gross revenues for the preceding calendar year. These costs would be recoverable from each class of customers as a separate component of the rider as follows:

- For the total delivered non-capacity costs, the specific component for each class of customers would be determined by allocating these costs among customer classes based on the electric public utility's North Carolina energy usage for the prior year, as determined by the Commission, until the Commission determines how these costs should be allocated in a general rate case for the electric public utility commenced on or after 1 January 2008.
- For the capacity costs associated with purchasing electric power from qualifying cogeneration and qualifying small power production facilities and the costs of purchases of power from renewable energy facilities and new renewable energy facilities, the specific component for each class of customers would be determined by allocating these costs among customer classes based on the electric public utility's North Carolina peak demand for the prior year, as determined by the Commission, until the Commission determines how these costs should be allocated in a general rate case for the electric public utility commenced on or after 1 January 2008.

Notwithstanding these provisions, cost recovery under the fuel charge would be modified for an electric public utility that has less than 150,000 North Carolina retail jurisdictional customers as of December 31, 2006.

Section 6: Ongoing Review of Construction Costs and Inclusion of Construction Costs in Rates.

Under current law, an electric public utility is responsible for bearing the construction costs of a generating facility until the facility goes into operation. In the first general rate case after the facility goes into service, if the Commission finds the facility to be used and useful, the total facility costs, excluding any imprudently incurred costs, are included in rates charged to customers. There is one exception to this system of construction cost recovery; prudently incurred expenses for construction work in progress may be included in the rate base if the Commission finds that this is in the public interest and is necessary to the utility's financial stability.

Under current practice, if a facility is abandoned before it is completed, the Commission may authorize the electric public utility to recover the costs of the incomplete facility, excluding any imprudently incurred costs, by amortizing these costs over a period of years, with no return on the unamortized balance.

Section 6 would alter these current procedures for construction cost recovery as follows.

A certificate for the construction of a coal or nuclear facility would be granted only if the applicant demonstrated and the Commission found that energy efficiency measures, demand side management, renewable energy resource generation, combined heat and power generation, or any combination of these, would not create a more cost effective and reliable generation system and that the construction and operation of such a facility is in the public interest.

Senate Bill 3

Page 8

Once a construction certificate has been granted by the Commission, a public utility may not cancel construction of a generating facility without receiving approval from the Commission. If the Commission finds that completion of the generating facility is no longer in the public interest, the Commission may modify or revoke the certificate.

A public utility would submit an annual progress report on construction to the Commission, including any revisions in the cost estimate for the construction. The Commission may conduct an ongoing review of construction of the facility. If the Commission disapproves any part of the revised cost estimate or finds that the incurrence of the cost of that portion of the construction of the facility then under review was unreasonable or imprudent, the Commission may modify or revoke the certificate.

The public utility would recover through rates in a general rate case the actual costs it has incurred in constructing a generating facility in reliance on a construction certificate as provided below, unless new evidence is discovered (i) that could not have been discovered by due diligence at an earlier time and (ii) that reasonably tends to show that a previous determination by the Commission that a material item of cost had been just and reasonable and prudently incurred was erroneous. The public utility would have the burden of proof to demonstrate that the material item of cost was in fact just and reasonable and prudently incurred.

Whether under construction or completed, if the construction of the facility:

- Has been subject to ongoing review, the reasonable and prudent costs of construction approved by the Commission during the ongoing review would be included in the public utility's rate base.
- Has not been subject to ongoing review, the costs of construction would be included in the public utility's rate base if the Commission finds that the incurrence of these costs is reasonable and prudent.

If the construction of a facility is cancelled and the facility:

- Has been subject to ongoing review, the public utility would recover through rates in a general rate case the costs of construction approved by the Commission during the ongoing review that were actually incurred prior to cancellation, amortized over a reasonable time as determined by the Commission. The public utility would have the burden of proof to demonstrate that the material item of cost was in fact just and reasonable and prudently incurred. In the general rate case, the Commission would make any adjustment that may be required.
- Has not been subject to ongoing review, the public utility would recover through rates in a general rate case the costs of construction that were actually incurred prior to cancellation and are found by the Commission to be reasonable and prudent, amortized over a reasonable time as determined by the Commission. In the general rate case, the Commission would make any adjustment that may be required.

Section 7: Recovery of Construction Costs for Out-of-State Electric Generating Facilities and Project Development Costs for Nuclear Facilities.

Section 7 would provide that upon petition by a public utility, the Commission would determine the need for and, if need is established, approve an estimate of the construction costs and construction schedule for an electric generating facility in another state. The construction cost estimate and the recovery of costs through a general rate case would be governed by the provision that apply to facilities built in the State (see Section 6 above).

Senate Bill 3

Page 9

Sections 7 would also provide for the treatment of project development costs for a nuclear facility as follows:

Section 7 defines "project development costs" as all capital costs associated with a potential nuclear electric generating facility, including the costs of evaluation, design, engineering, environmental analysis and permitting, early site permitting, combined operating license permitting, initial site preparation costs, and allowance for funds used during construction associated with such costs.

A public utility would be able to request that the Commission review the public utility's decision to incur project development costs for the construction of a nuclear electric generating facility. The Commission would approve the public utility's decision to incur project development costs if the public utility demonstrates by a preponderance of evidence that the decision to incur project development costs is reasonable and prudent.

All reasonable and prudent project development costs, as determined by the Commission, incurred for the potential nuclear electric generating facility would be included in the public utility's rate base and would be fully recoverable through rates in a general rate case. If the public utility is allowed to cancel the project, the Commission would permit the public utility to recover all reasonable and prudently incurred project development costs in a general rate case amortized over a period equal to the period during which the costs were incurred, or five years, whichever is greater.

Section 8: Recovery of Construction Work in Progress.

Section 8 would change the standard by which the Commission may include construction work in progress included in rates. Under current law, construction work in progress may only be included if the Commission determines that inclusion is in the public interest and necessary to the financial stability of the utility. Section 8 would allow inclusion of construction work in progress if the construction is subject to ongoing review and Commission determines that expenditures are reasonable and prudent.

ADJUST THE PUBLIC UTILITY AND ELECTRIC MEMBERSHIP CORPORATION REGULATORY FEES.

Section 9 would provide that the percentage rate to be used in calculating the public utility regulatory fee under G.S. 62-302(b)(2) is twelve one-hundredths of one percent (0.12%) for each public utility's North Carolina jurisdictional revenues earned during each quarter that begins on or after July 1, 2007. This section also provides that the electric membership corporation regulatory fee imposed under G.S. 62-302(b1) for the 2007-2008 fiscal year is two hundred thousand dollars (\$200,000).

PHASE OUT OF SALES TAXES PAID BY FARMERS AND MANUFACTURERS ON ELECTRICITY, PIPED NATURAL GAS, AND OTHER FUELS.

Sections 10, 11, and 12 would phase out the tax on electricity, piped natural gas, and fuel used by manufacturers to operate their industries and by farmers in their farming operations, effective for sales made on or after July 1, 2007

Section 10 would phase out the current sales tax rate of 2.83% on sales of electricity to manufacturing industries and manufacturing plants for use in connection with their operation and to farmers to be used by them for farming purposes as follows:

- Effective October 1, 2007, reduces the rate from 2.83% to 1.8%.
- Effective July 1, 2008, reduces the rate from 1.8% to 1.4%.
- Effective July 1, 2009, reduces the rate from 1.4% to 0.8%.

Senate Bill 3

Page 10

- Effective July 1, 2010, exempts these sales from tax.

The general rate of tax on sales of electricity is 3%. Sales of electricity to an aluminum smelting facility are taxed at the rate of 1%, but this rate expires for sales made on or after October 1, 2007. Last session, in S.L. 2006-66, the tax on sales of electricity to manufacturing industries and manufacturing plants was reduced from 2.83% to 2.6%, effective July 1, 2007. This bill repeals the reduction enacted last session and replaces it with the 1.89% rate provided in this section of the bill.

Section 11 would phase out the tax imposed on piped natural gas received by a manufacturer for use in connection with the operation of the manufacturing facility and on piped natural gas received by a farmer to be used for any farming purpose, other than preparing food, heating dwellings, and other household purposes.

The excise tax on piped natural gas applies uniformly to all users. The tax rate is structured as a "declining block" that decreases as the amount of therms of piped gas consumed in a month increases. A declining block tax rate structure means that low end users, such as residential users, pay a higher effective rate of tax and high volume users, such as business and industrial users, pay a lower effective rate of tax.

Section 12 would phase out the privilege tax imposed on a manufacturing industry or plant that purchases fuel to operate the industry or plant by reducing the tax rate from 1% to 0.7%, effective October 1, 2007, from 0.7% to 0.5%, effective July 1, 2008, from 0.5% to 0.3%, effective July 1, 2009, and from 0.3% to 0%, effective July 1, 2010.

Farmers are exempt from sales tax on purchases of fuel. Manufacturers are exempt from sales tax on fuel, but they are subject to a privilege tax equal to 1% of the sales price of the fuel. This section would phase that tax out over four years.

ESTABLISH RENEWABLE ENERGY TAX CREDITS.

Section 13

G.S. 105-129.16A provides a tax credit for investing in renewable energy property. This tax credit is not used by a nonprofit corporation that invests in renewable energy property because the nonprofit organization does not owe any tax. Section 13 would allow this tax credit to a taxpayer that makes an eligible contribution to a nonprofit organization organized under section 501(c)(3) of the Code. An eligible contribution is a contribution designated by the taxpayer to be used for investing in renewable energy property and used by the nonprofit organization for investing in renewable energy property.

The amount of the credit would be equal to a portion of the credit for investing in renewable energy property that the nonprofit organization would be allowed if the nonprofit organization was subject to tax. The amount of the credit for investing in renewable energy property is 35% of the cost of the property placed in service. The portion allowed to each taxpayer is equal to the percentage of the total costs for which the nonprofit organization would have been eligible for a credit which were covered by the taxpayer's eligible contribution.

The tax credit may be taken against either the franchise tax or the individual or corporate income tax. The election is binding and any carryforwards of a credit must be claimed against the same tax. The credit may not exceed 50% of the tax against which it is claimed. The credit is effective for taxable years beginning on or after January 1, 2007. Although this credit does not have a sunset, the credit under G.S. 105-129.16A expires for renewable energy property placed into service on or after January 1, 2011.

Renewable energy property includes the following machinery and equipment or real property:

Senate Bill 3

Page 11

- Biomass equipment that uses renewable biomass resources for biofuel production of ethanol, methanol, and biodiesel; anaerobic biogas production of methane utilizing agricultural and animal waste or garbage; or commercial thermal or electrical generation from renewable energy crops or wood waste materials. Renewable biomass resources are organic matters produced by terrestrial and aquatic plants and animals, such as standing vegetation, forestry and agricultural residues, landfill wastes, and animal wastes.
- Hydroelectric generators
- Solar energy equipment
- Wind equipment

SEVERABILITY CLAUSE AND EFFECTIVE DATES.

Section 15 would provide that if any section or provision of the act is declared unconstitutional or invalid by the courts, the unconstitutional or invalid section or provision does not affect the validity of the act as a whole or any part of the act other than the unconstitutional or invalid part.

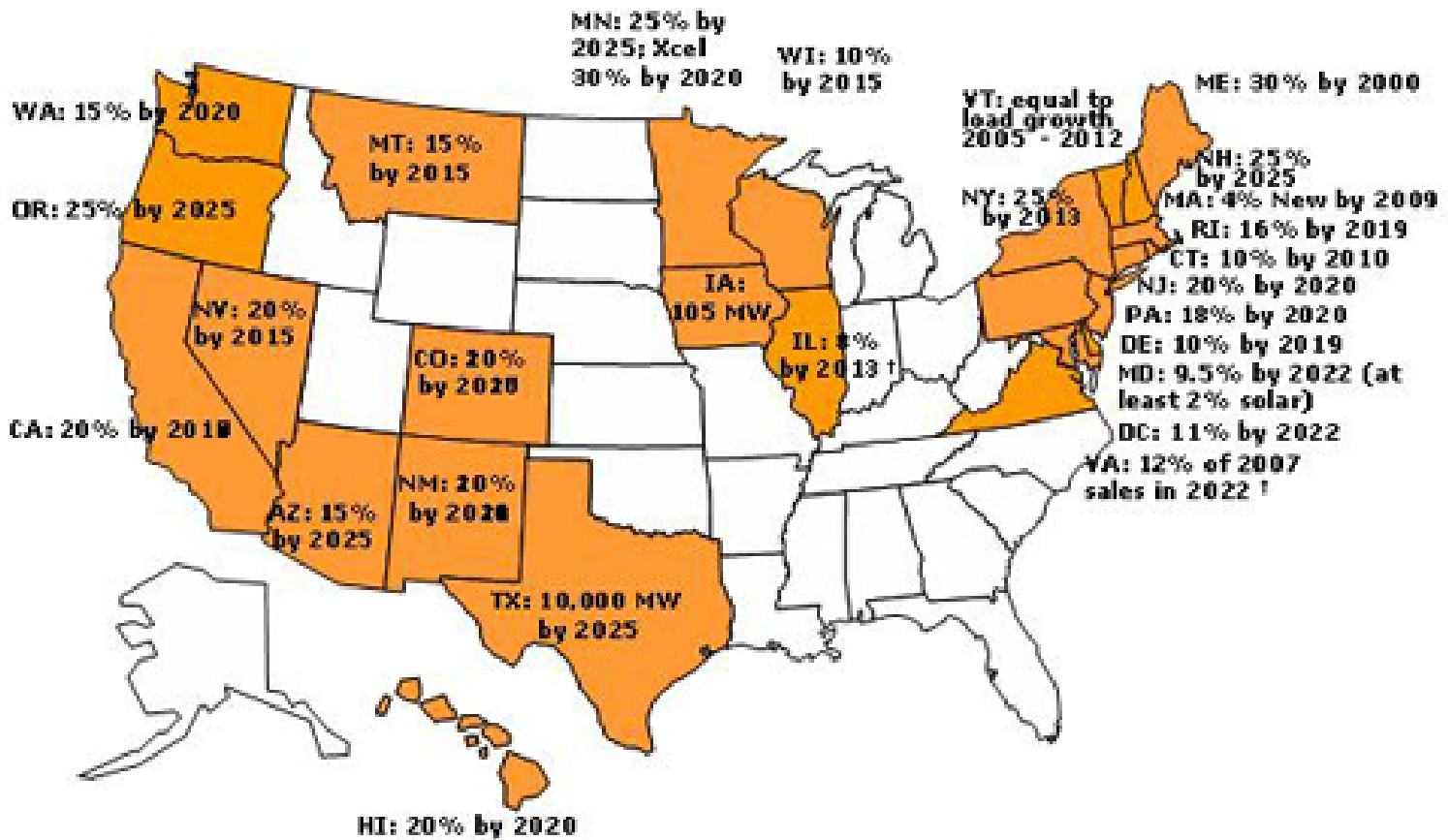
Section 16 would provide for the effective dates of the act as follows:

- Sections 1, 2, 6, 7, and 8 of the act would become effective 1 January 2008. The provisions of Section 2 of the act that provide for the recovery of costs incurred under Section 2 apply only to costs that are incurred on and after 1 January 2008.
- Sections 3, 4, 15, and 16 of the act would become effective when the act becomes law. The provisions of Section 4 of the act that provide for the recovery of costs incurred under Section 4 apply only to costs that are incurred on and after the date that the act becomes law.
- Section 5 of the act would become effective 1 January 2008 provided that (i) the provisions of G.S. 62-133.2, as amended by Section 5 of the act, apply only to fuel and fuel related costs incurred on and after 1 January 2008 regardless of the test period established by the Utilities Commission, and (ii) the costs described in G.S. 62-133.2(a1)(3) that are incurred on and after the date the act becomes law will be recoverable as provided in G.S. 62-133.2, as amended by Section 5 of the act.
- Sections 10, 11, 12, 13, and 14 of the act would become effective as provided in those sections.
- Section 9 of the act would become effective 1 July 2007.

Senate Bill 3

Page 12

States with Renewable Energy Portfolio Standards as of June 2007



†IL and VA RPS implemented through voluntary utility commitments

The percentages shown on the map for each state are not directly comparable to one another because each states' standard varies in its regulatory design with respect to: the definition of qualifying renewable energy resources; provisions for energy efficiency measures and applicability of renewable energy credit trading mechanisms; mandatory versus voluntary commitments; compliance standards and timetables; and the predominant state goals underlying development and implementation of the standard.

(From: The Pew Center on Global Climate Change,
http://www.pewclimate.org/what_s_being_done/in_the_states/rps.cfm)

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