

NYS Renewable Portfolio Standard (RPS) Evaluation

A Work in Progress

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NYS RPS Goals

- 25% of Retail Electricity Sales by 2013
 - 19% Renewables in base
 - 6% New Sources:
 - RPS, Voluntary Market,
 - Exec. Order 111,
 - LIPA, NYPA
- Sustainable Market Transformation

25% Goal and Progress Made

Total Incremental Goal:

12 million MWh

RPS

10 million MWh

- Main Tier 9.8 million MWh
- Customer-sited Tier .2 million MWh
- Procured 2007 2.8 million MWh

Evaluation Requirements

- 2005 PSC Order
 - 2009 Mid-course Report
 - 2013 Final Report
- Other Initiatives affecting Evaluation
 - Lt. Governor Task Force
 - RPS Cost Study
 - NYISO Tracking & Trading System

Mid-Course Evaluation Approach

Summative and Formative

Main Tier

- Cost Effectiveness
- Impact Analyses
- Market Conditions

Customer-Sited Tier

- Market Conditions

Researchable Questions

Is RPS Program Effective?

Is Program designed to achieve objectives?

- Lowest Price
- Market Transformation
- Technology Neutral

Is RPS Program Efficient?

- Central procurement
- Relationship among agencies
- Contract resolution process
- Bidders and non-participants

What are the Impacts?

- Economic Development
- Energy Diversity
- Environment
- Transmission and Distribution

Markets – Analyzing REC Prices

- Comparisons
- Program Components
- Financing Factors
- External Factors

How do we build sustainable markets?

- Extent developers need RPS to invest in NY
- Extent customers need RPS to install RE technologies
- Identify precedent conditions
- Identify key market actors
- Voluntary markets – 1% of goal
- Emerging carbon offset markets – compete or complement RPS
- Customer-Sited Tier Market Barriers
 - Public informed
 - Workforce training and quality control
 - Reachable prices

Other Institutional Barriers to Market Entry

- Local Governments
 - Siting and zoning
 - Real property taxation
- Historic Preservation
- Utilities
 - Net metering
 - Utility rate design

Other Institutional Opportunities for Market Entry

- RGGI
- Efficiency Portfolio Standard
- Tracking & Trading
- Business Development Assistance
- Tax Incentives