

Roundtable Meeting and Information Exchange on Energy Laws and Promotion of Renewable Energy Use:

**Study visit of the Chinese delegation on renewable
energy law**

New York's Renewable Energy Portfolio Standard: Public Policy Objectives and Key Design Issues

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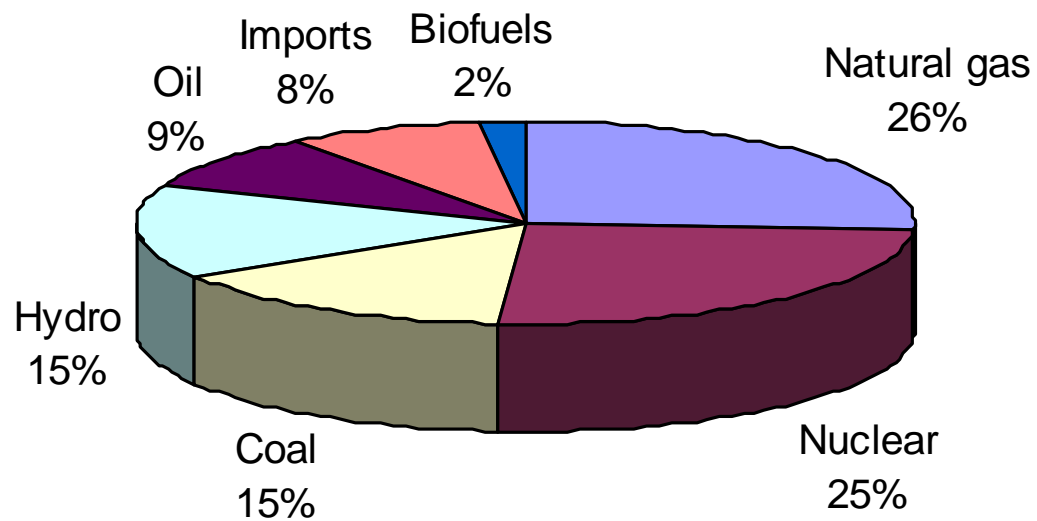
8 April 2004

“We can also make New York a leader in renewable energy usage. I am directing the Public Service Commission to create a Renewable Portfolio Standard - a program which will guarantee that within the next 10 years at least 25% of the electricity bought in New York will come from renewable energy sources...”

State of the State Address
Governor George E. Pataki
January 8, 2003



New York State Generation Mix 2002

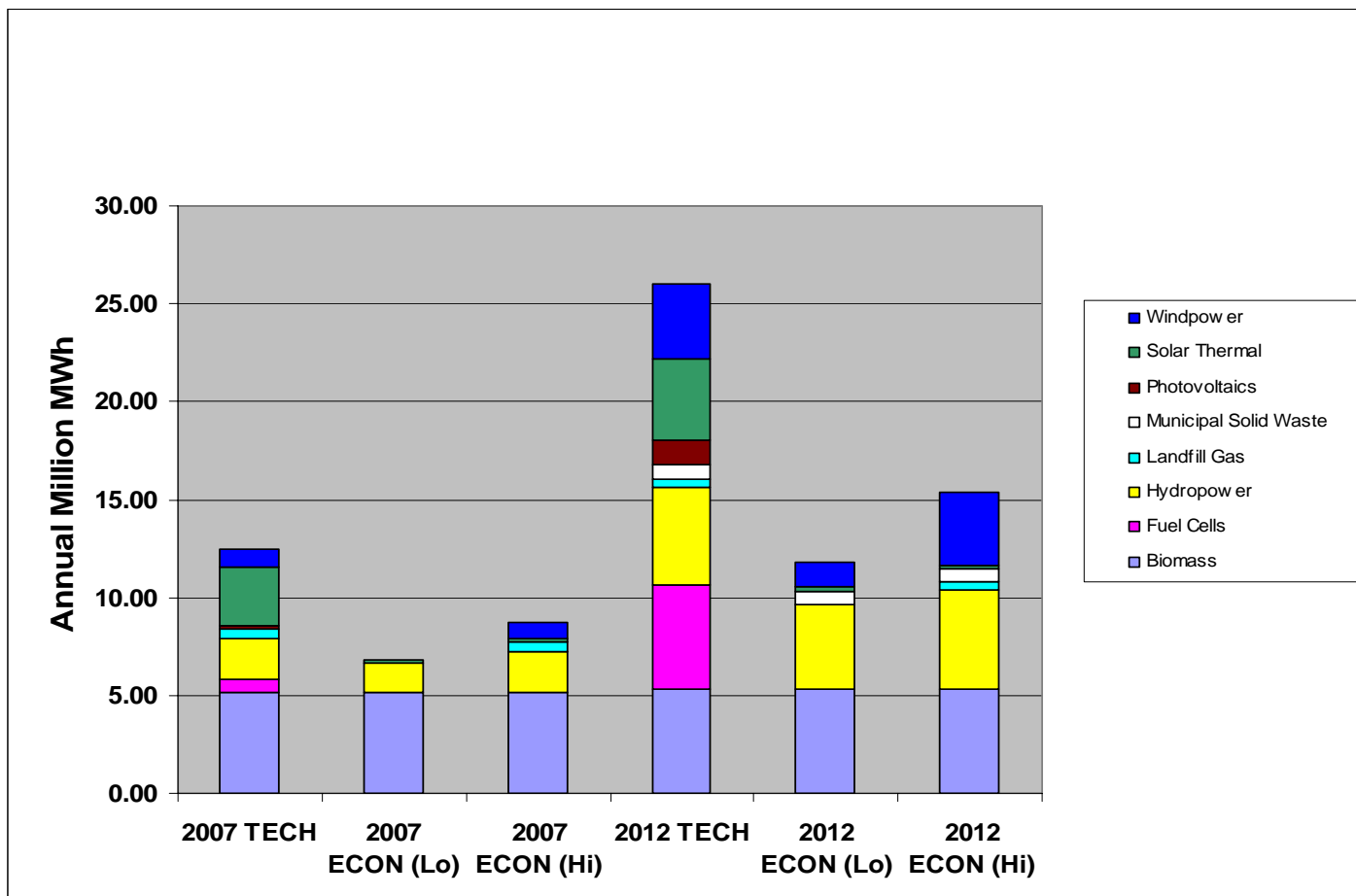


Key RPS Drivers

- Fuel Diversity
- Environmental and Greenhouse Gas Considerations
- Economic Development



Technical/Economic Potential for Renewable Energy in NYS



Barriers to Renewable Energy

- **Supply-side barriers**
 - Deregulated Markets Emphasize Lower Capital Cost Options
 - Difficulty in Obtaining Financing
- **Consumer barriers**
 - Premium products more expensive than conventional
 - Insufficient information available to consumers
 - Limited market availability for premium equipment
- **Regulatory barriers**

Key RPS Design Issues

What technologies should be classified as “renewable” and eligible for RPS subsidies? Should the RPS be directed to new renewable energy projects?

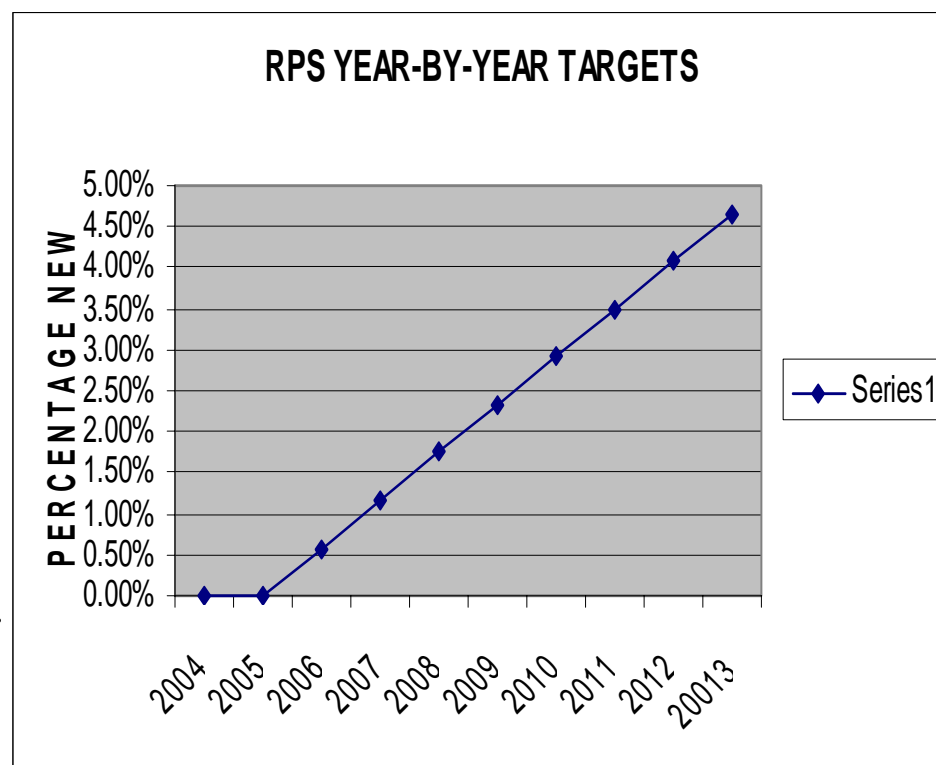
- Solar
- Wind
- Biomass?
- Fuel Cells?
- Hydropower?
- Landfill gas?
- Waste-to-Energy?



Key RPS Design Issues

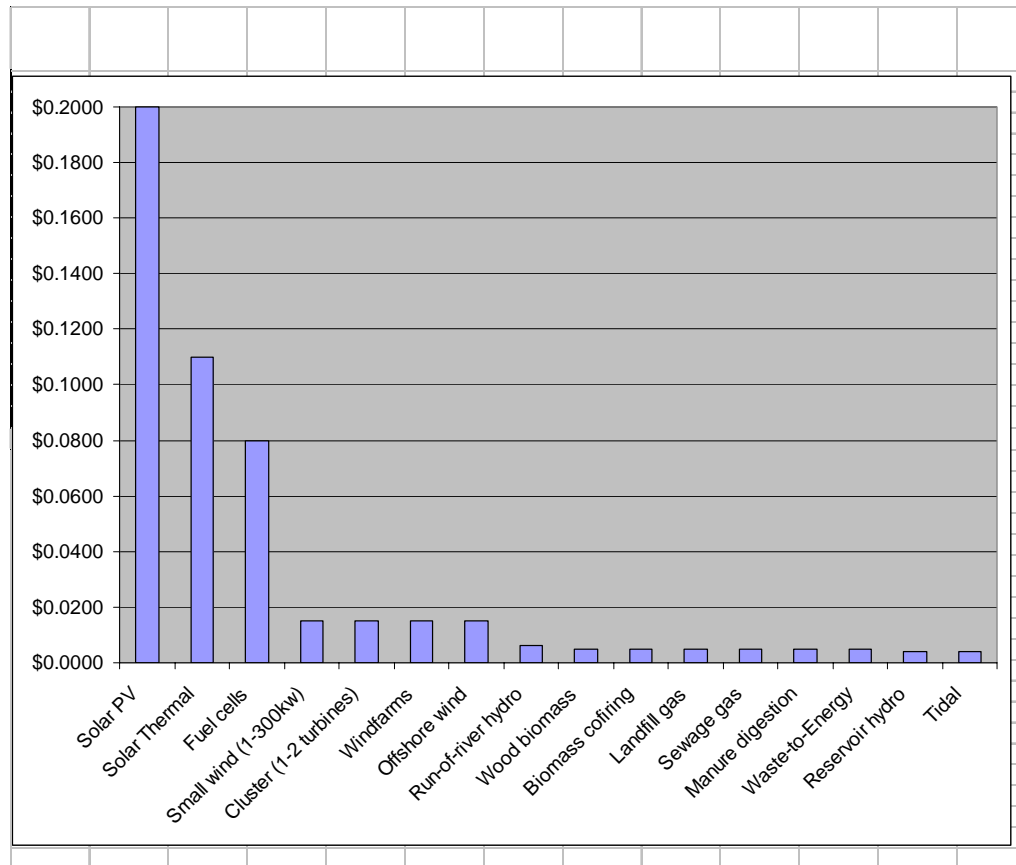
How to set reasonable interim goals

- Result in steady decline in cost of renewables
- Benefits realized as soon as possible
- Encourage private investment
- Encourage development of support infrastructure



Key RPS Design Issues

How to ensure diversity across renewable energy technologies at minimum program cost



Key RPS Design Issues

Should participation be limited to in-state/in-country sources?



Key RPS Design Issues

*Who should be responsible
for procuring renewable
energy supply?*



New York RPS Status and Next Steps

- Administrative Law Judge decision on RPS framework - late Spring 2004
- Commission decision - Fall 2004
- NYSERDA/ISO study of integration of wind on grid reliability and operations - late 2004
- Working groups to develop detailed implementation plans - through early 2005
- Implementation - 2005