LOUISIANA PUBLIC SERVICE COMMISSION

Can Louisiana Meet Washington's Renewable Energy Standard?

Commissioner James "Jimmy" Field

Can Louisiana Meet a Federal Renewable Portfolio Standard?

YES

But What Are The Costs & Benefits?

Renewable Portfolio Standard (RPS)

- Policy requiring electricity providers to obtain a minimum percentage of their power from renewable energy resources by a certain date.
- On June 26, the House voted 219-212 to approve the 1200-page "American Clean Energy and Security Act" (ACES). Eight Republicans voted in favor of the bill and 44 Democrats voted against it.
- On June 17, the Senate Committee on Energy and Natural Resources approved an energy bill, the "American Clean Energy Leadership Act" (ACELA), incorporating a renewable electricity standard, energy efficiency requirements, and reforms related to transmission infrastructure development, but no CO2 regulations.

House ACES Legislation

- Legislation would ensure;
  - 6% of our electricity comes from renewable sources by 2012, 20% by 2020.
  - Up to 25% of the 2020 requirement automatically may be met with energy efficiency measures.
  - Up to 40% of the 2020 requirement may be met with energy efficiency measures upon petition of the governor.
  - Will boost the renewable energy sector where there is potential to create jobs.

Senate ACELA legislation

Calendar years	Minimum Annual Percentage (Renewables + Efficiency)	Maximum Efficiency Percentage (Of electricity sales)
2011-2013	3.0	0.8
2014-2016	6.0	1.6
2017-2018	9.0	2.4
2019-2020	12.0	3.2
2021-2039	15.0	4.0

Utilities selling fewer than 4 million MWh per year would be exempt.

Energy efficiency could be used to cover up to 26.67% of the required annual percentage.

Existing Louisiana Renewable Resources

Federal Renewable Portfolio Standard Concerns

- Natural gas and coal dependent states may be negatively impacted while states with renewable energy capabilities may be positively impacted.
- Potential for job loss in the gas, coal, and chemical industry.
- Consumer economics-will electricity become more expensive to the consumer?
- How will the RPS affect the states overall economic situation?

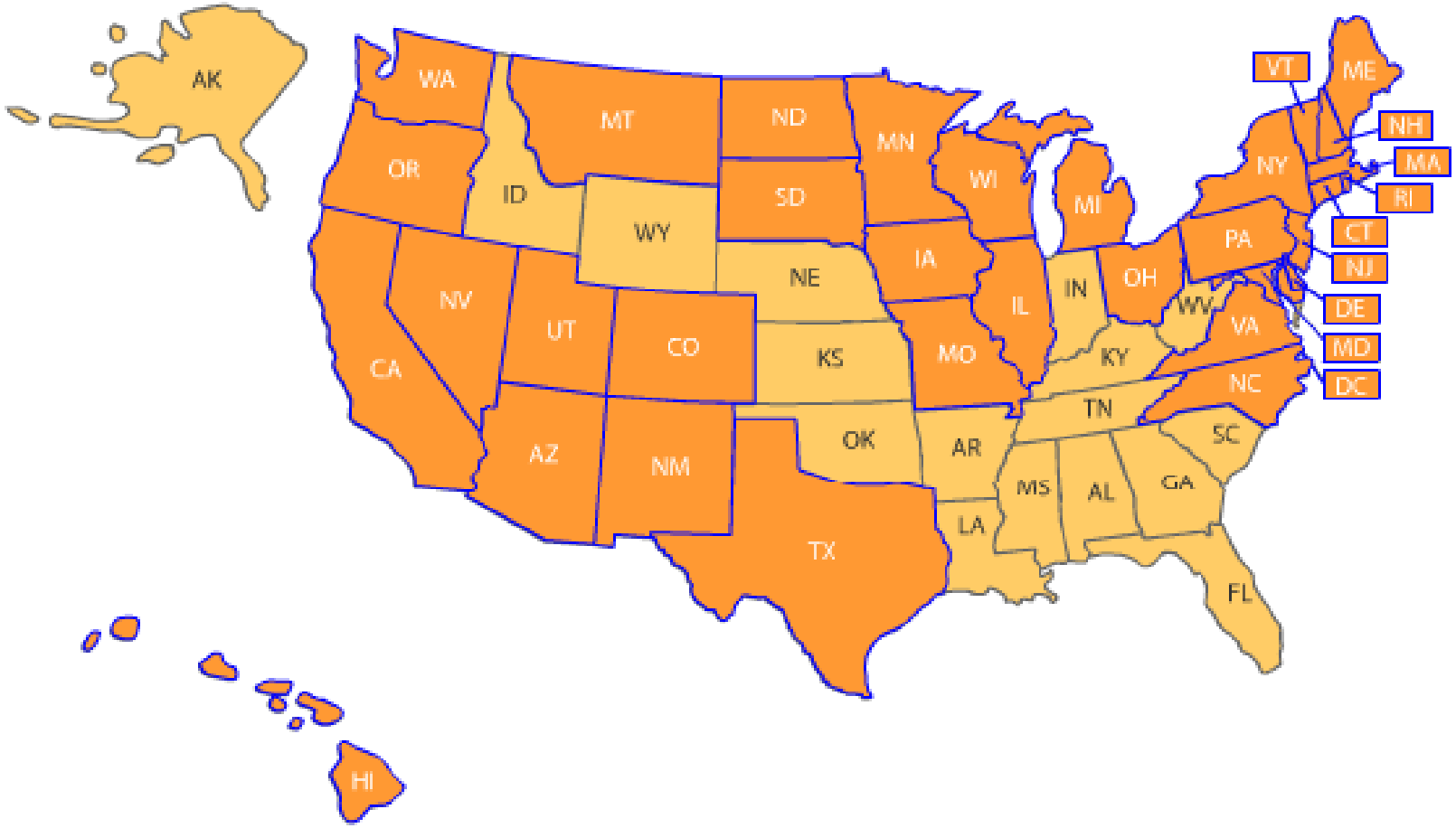
Federal Renewable Energy Standard Possible Benefits

- Potential to create new jobs.
- Reliability of fuel supply.
- Improve public health and reduce environmental risks.
- Increase energy independence by using in-state renewable resources.
- Reduction of economy-wide greenhouse gas emissions.

States with renewable portfolio standards

- The DOE reports;
  - 28 states including the district of Columbia have RPS policies in place.
  - 5 states have voluntary goals for adopting renewable energy which are non-binding.
  - 17 states are currently in the process of addressing RPS.
  - The LPSC has an ongoing docket to determine the feasibility of a state RPS. (Docket No. R-28271 Subdocket B).

May 2009

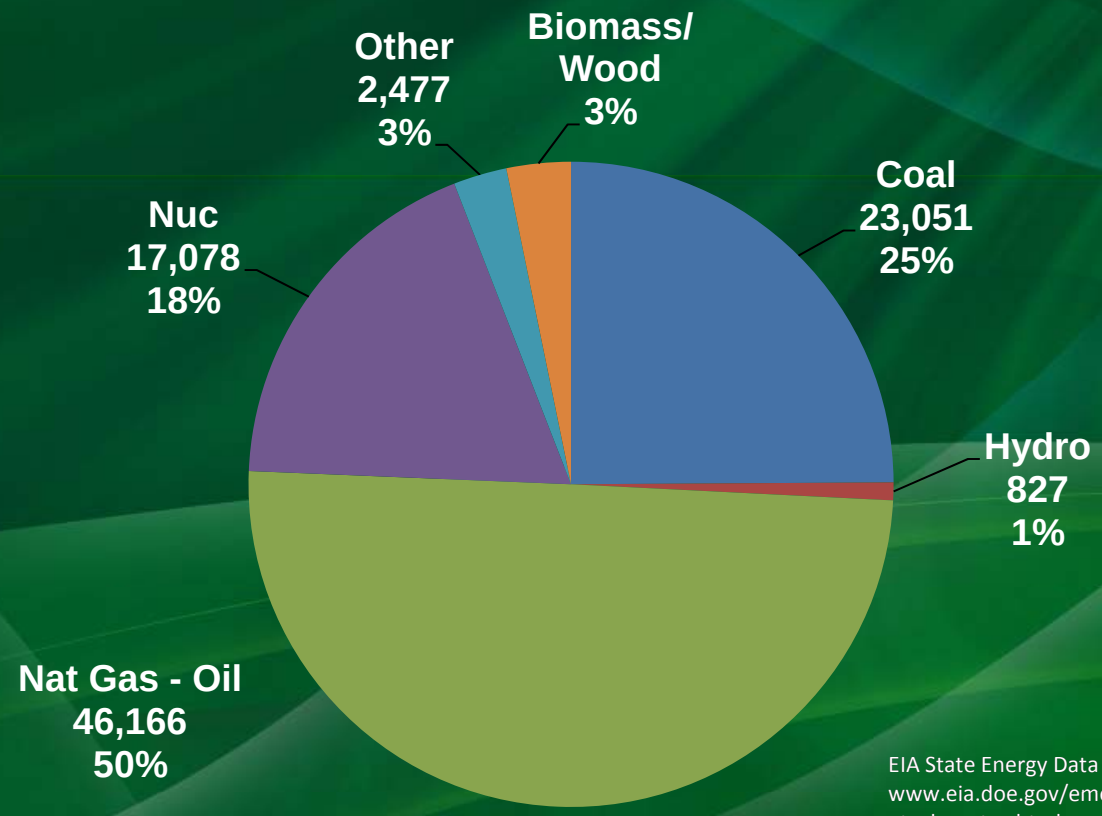


U.S. DEPARTMENT OF ENERGY | Energy Efficiency & Renewable Energy

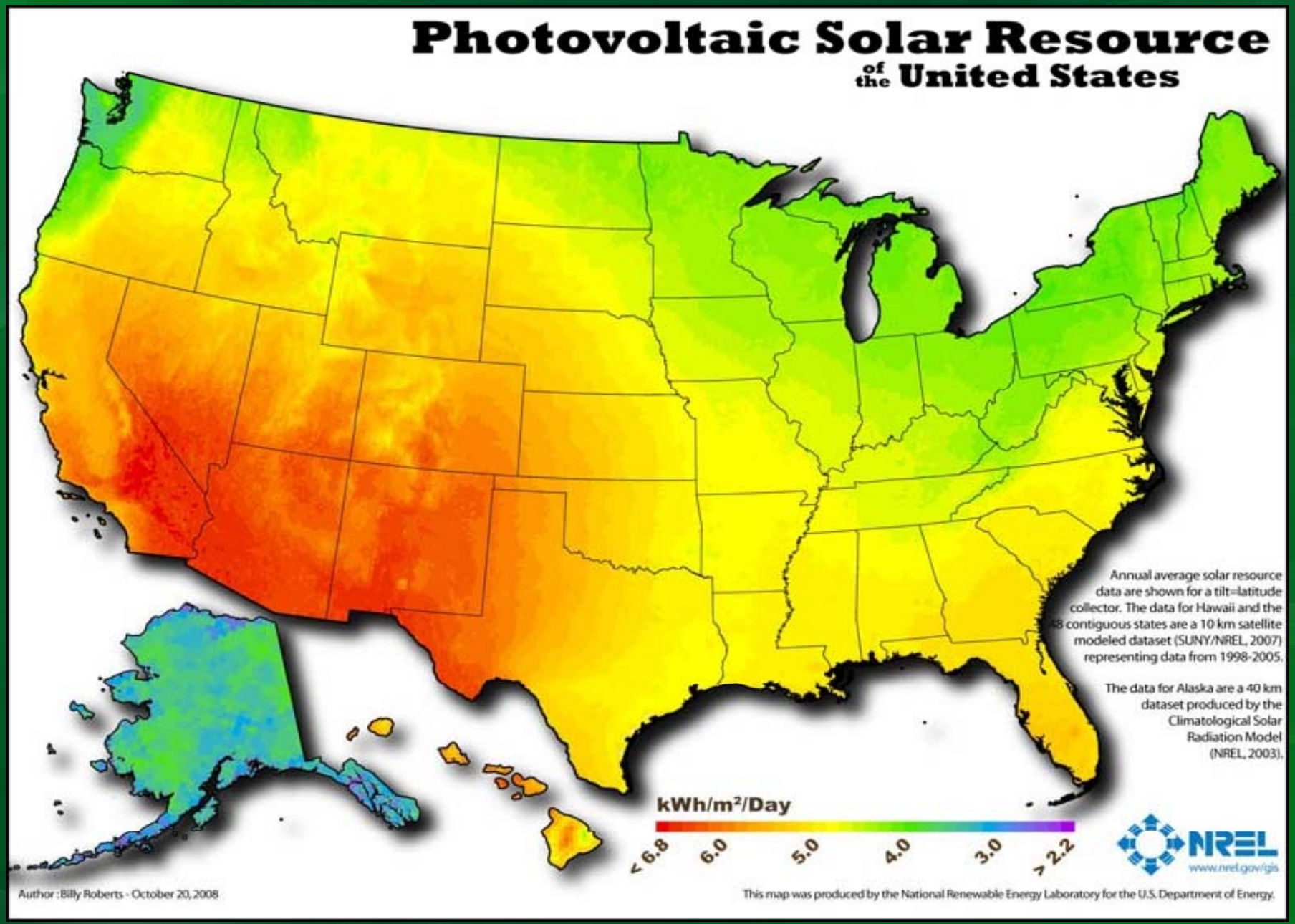
State	Amount	Year	Organization Administering RPS
Arizona	15%	2025	Arizona Corporation Commission
California	33%	2030	California Energy Commission
Colorado	20%	2020	Colorado Public Utilities Commission
Connecticut	23%	2020	Department of Public Utility Control
District of Columbia	20%	2020	DC Public Service Commission
Delaware	20%	2019	Delaware Energy Office
Hawaii	20%	2020	Hawaii Strategic Industries Division
Iowa	105 MW		Iowa Utilities Board
Illinois	25%	2025	Illinois Department of Commerce
Massachusetts	15%	2020	Massachusetts Division of Energy Resources
Maryland	20%	2022	Maryland Public Service Commission
Maine	40%	2017	Maine Public Utilities Commission
Michigan	10%	2015	Michigan Public Service Commission
Minnesota	25%	2025	Minnesota Department of Commerce
Missouri	15%	2021	Missouri Public Service Commission
Montana	15%	2015	Montana Public Service Commission
New Hampshire	23.8%	2025	New Hampshire Office of Energy and Planning

New Jersey	22.5%	2021	New Jersey Board of Public Utilities
New Mexico	20%	2020	New Mexico Public Regulation Commission
Nevada	20%	2015	Public Utilities Commission of Nevada
New York	24%	2013	New York Public Service Commission
North Carolina	12.5%	2021	North Carolina Utilities Commission
North Dakota*	10%	2015	North Dakota Public Service Commission
Oregon	25%	2025	Oregon Energy Office
Pennsylvania	8%	2020	Pennsylvania Public Utility Commission
Rhode Island	16%	2019	Rhode Island Public Utilities Commission
South Dakota*	10%	2015	South Dakota Public Utility Commission
Texas	5,880 MW	2015	Public Utility Commission of Texas
Utah*	20%	2025	Utah Department of Environmental Quality
Vermont*	10%	2013	Vermont Department of Public Service
Virginia*	12%	2022	Virginia Department of Mines, Minerals, and Energy
Washington	15%	2020	Washington Secretary of State
Wisconsin	10%	2015	Public Service Commission of Wisconsin

2008 Louisiana Electricity Generation by Fuel Type (GWH)



EIA State Energy Data System
www.eia.doe.gov/emeu/states/_seds_udates_tech_notes.html


Photovoltaic Solar Resource
of the United States
Annual average solar resource data are shown for a tilt=latitude collector. The data for Hawaii and the 48 contiguous states are a 10 km satellite modeled dataset (SUNY/NREL, 2007) representing data from 1998-2005.
The data for Alaska are a 40 km dataset produced by the Climatological Solar Radiation Model (NREL, 2003).
kWh/m²/Day
< 6.8
6.0
5.0
4.0
3.0
> 2.2
NREL
www.nrel.gov/gis
Author : Billy Roberts - October 20, 2008
This map was produced by the National Renewable Energy Laboratory for the U.S. Department of Energy.

Louisiana Public Service Commission Renewable Portfolio Standard Procedural History

- Docket No. R-28271 In re; Investigation regarding the feasibility of implementing a renewable portfolio standard for the jurisdiction of electric utilities in the State of Louisiana.
  - General Order January 11, 2007 – Commission approves implementation of the green pricing tariff pilot program.
  - General Order April 9, 2008 – Commission extends green pricing tariff program for 4 months.
  - General Order May 22, 2008 – Commission extends green pricing tariff program for 2 years.


Geaux GREEN
It's A Good Choice For Louisiana.

Louisiana Public Service Commission Renewable Portfolio Standard Procedural History

- Docket No. R-28271 Subdocket B In re; Re-study the feasibility of a renewable portfolio standard for the jurisdiction of electric utilities in the State of Louisiana.
  - March 5, 2009 – Request for initial comments and report of technical conference.
  - May 1, 2009 – Summary of parties responses to LPSC staff's March 5 report.
  - June 3, 2009 – Summary of staff's May 12 renewable task force meeting.

Louisiana Potential Future Renewable Resource Options

- Most Likely Options Include:
  - Biomass (Biomass plant only or coal fired unit with biomass co-firing capability)
  - Off-Shore Wind
  - Solar
  - Hydrokinetic Energy
  - Landfill Gas
  - Waste Heat
- Other Possibilities:
  - Geothermal
  - On-Shore Wind
  - Conventional Hydro and Other Hydro Technologies

Potential Cost of Louisiana Renewable Resources

- Task Force in Docket No. R-28271 Subdocket B currently working on an assessment of potential renewable resources available in Louisiana through 2020.

- Task Force will also develop assessment of cost of adding those renewable resources.

- Preliminary assessment is that Louisiana can meet the Federal RPS requirement, but it will likely be very expensive and will require purchasing Renewable Energy Credits (REC) from utilities in other states.

What Should Louisiana Decision Makers Do to Address the Concerns of State Consumers?

- Work to ensure adequate emission allowances.
- Provide for flexibility in how regulated entities meet their carbon requirements.
- Work to ensure adequate transition periods to prevent adverse impact on consumers.
- Provide for limits on carbon emissions that reflect a realistic understanding of energy technologies.

Thank You

The End