

Active Federal Renewable Electricity Standard (RES) Legislation

As of June 8, 2009

Policy Design Element	H.R. 2454	Majority RES Draft Text
Sponsor	Waxman (D-MA) & Markey (D-MA)	Bingaman (D-NM)
Chamber	House	Senate
Summary	20% by 2020	15% by 2021
Status	In committee (introduced May 2009)	In committee (introduced May 2009)
Treatment of Existing Hydro	Excluded from the sales base used to calculate	Excluded from the sales base used to calculate
Required Annual Percentage	2012 - 6% 2013 - 6% 2014 - 9.5% 2015 - 9.5% 2016 - 13% 2017 - 13% 2018 - 16.5% 2019 - 16.5% 2020 - 20% 2021-2039 - 20%	2011 - 3% 2014 - 6% 2017 - 9% 2019 - 12% 2021 - 15%
Resources Eligible to Meet RES	Wind, solar, geothermal, renewable biomass, biogas and biofuels derived exclusively from renewable biomass, marine and hydrokinetic and qualified hydropower (efficiency improvements or capacity additions).	Wind, solar, geothermal, ocean, biomass, landfill gas, incremental hydropower (efficiency improvements or capacity additions), hydrokinetic and new hydropower at existing dams with no generation.
Qualifying Date for Resources Eligible to Meet RES	Qualified hydropower (placed in service on or after January 1, 1992), no qualifying date for other eligible resources.	Incremental hydropower (placed in service on or after January 1, 2001), other eligible resources (placed in service on or after January 1, 2006).
Shelf life of federal RECs	Unlimited banking of RECs	3 years from date of issuance of the REC.
Alternative Compliance	\$25/MWh (inflation adjusted).	\$21.10/MWh (inflation adjusted) if the electric utility does not elect to petition the Secretary to waive the requirement.
Non-Compliance Penalty	\$50/MWh (inflation adjusted) or twice the Alternative Compliance payment.	200% of the value of the alternative compliance payment (adjusted for inflation)
Use of funds from Alternative Compliance Payments and Penalties	Paid directly to state in which electric supplier is located to be used for deploying renewable technologies and cost-effective energy efficiency measures and programs.	State grants for development of renewable resources or to offset increases in customers bills.
Energy Efficiency	Utilities can meet up to 25% of their requirements through energy efficiency savings: customer facility savings, reductions in distribution system losses, combined heat and power (CHP) savings and fuel cell savings. Governor can petition FERC to increase the energy efficiency savings proportion to not more than 40%.	Utilities can meet up to 26.67% of their requirements through energy efficiency savings: customer facility savings, electricity savings, recycled energy combined heat and power (CHP).
Cost Recovery	Not Addressed	Not Addressed
Exemption from RES	Electric utilities with less than 4 million MWh of retail sales.	Electric utilities with less than 4 million MWh of retail sales and the State of Hawaii.
Power Sales Contracts	If not addressed in the contract, RECs belong to the supplier.	Not Addressed
Coordination with State Policies	States can have higher standards.	States can have higher standards.
Renewable Generation Facilities	Not Addressed	Double RECs
Distributed Generation Facility	Triple RECs (generation < 2 MW)	Triple RECs (generation < 1 MW)
Mixed Renewable Resource (ex. combined solar and gas plant)	RECs based upon portion attributable to the renewable energy resource.	Not Addressed
Waiver from Compliance	Not Addressed	Secretary may waive requirements for 5 years because of natural disasters or acts of god.