What Happens After RPS?

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When Do RPSs Max Out?

- **≤ 2015**: Red areas indicate states where RPSs max out before or in 2015.
- **2016-2020**: Peach areas indicate states where RPSs max out between 2016 and 2020.
- **2021-2025**: Brown areas indicate states where RPSs max out between 2021 and 2025.
- **2026-2030**: Yellow areas indicate states where RPSs max out between 2026 and 2030.
- **2031-2035**: Green areas indicate states where RPSs max out between 2031 and 2035.
- **2036-2040**: Dark green areas indicate states where RPSs max out between 2036 and 2040.
- **2041-2045**: Light blue areas indicate states where RPSs max out between 2041 and 2045.
- **No end**: Dark blue areas indicate states where RPSs are expected to continue beyond 2045.

- **2040 large utilities**: Dark green area in Oregon.
- **2020 Xcel**: Minnesota.
- **2021 (IOUs)**: California, Texas.
- **2025**: Florida, New York, Virginia.
- **2030**: Arizona, Georgia, Indiana, Wisconsin.
- **2045**: Alaska, Hawaii, Maine, Montana, North Dakota, South Dakota, Vermont, Wyoming.
What Happens When RPS Reaches Zenith?

*MI compliance obligation continues to 2029
Effect on Neighboring States

- If neighboring states are providing RE supply, will they continue to do so?
- A state whose RPS ends abruptly has a greater effect on neighboring RPS state
- States that just plateau can still affect others
  - CT NH and ME can supply growing MA
- What happens to RECs that are freed up?
- Impact on REC prices
Potential Markets for RECs

- "and thereafter"
- RPS stops
- RPS continues to increase

2007 target already achieved
2015; 2025 goal already achieved
2020 Xcel
2025-2026
2015
RI: 2035
VT: 2032
(PJM)

2040 large utilities
2045
2015; 2025 goal already achieved
Implications

- Where’s the stimulus for new build in state?
  - No RPS growth
  - PTC phased out
  - Will CPP exist a year from now?

- Results:
  - Sag in economic development, jobs
  - Loss of momentum on climate change mitigation
  - Or will RE costs continue to fall and naturally grow clean energy?
Questions for Discussion

- Some target years are 10, 15, even 20 years out. Are states thinking that far into the future?
- A few states (IA, MI, TX) have reached their terminal date, or reached their targets early. Are these states considering further policy actions?
- Are other states thinking about the effect of neighboring RPS termination on REC prices and investment?
- What are their options?
- What are the advantages and disadvantages?