

February 5, 2007

H 77. PROMOTE RENEWABLE ENERGY/ENERGY EFFICIENCY-2. Filed 2/5/07. *TO PROMOTE THE DEVELOPMENT OF RENEWABLE ENERGY AND ENERGY EFFICIENCY IN THE STATE THROUGH IMPLEMENTATION OF A TWENTY PERCENT RENEWABLE ENERGY AND ENERGY EFFICIENCY PORTFOLIO STANDARD (REPS).* Amends GS 62-2(a) to declare it the policy of North Carolina to implement a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) that will diversify energy resources, provide greater energy security, encourage private investment in renewable energy and energy efficiency, and improve air quality. Enacts new GS 62-133.7 requiring that the total REPS requirement will increase annually by a certain percentage of the total kilowatt hours sold by an electricity supplier (includes public utilities, electric membership corporations, and municipalities that sell electricity to retail electric customers) to its customers during the previous calendar year as follows: for each calendar year 2009-2012 the total REPS requirement will increase by at least 1%; for calendar years 2013-2016, the total REPS requirement will increase by at least 1.5%; for calendar years 2017-2021, the REPS requirement will increase by at least 2%. By January 1, 2022, at least 0.4% of the kilowatt hours of electricity sold by an electricity supplier to retail electric customers in NC must be supplied by a combination of new solar electric facilities and new solar thermal energy facilities. Allows requirements to be met through one or a combination of: (1) generating power at a new renewable energy facility; (2) using energy efficiency to reduce consumption; and (3) purchasing power from a new renewable energy facility. Allows as a credit for the following year any renewable energy supplied, or energy saved through efficiency, that goes beyond the required amount for the current year. By January 1, 2022, no one renewable energy resource can supply more than half of the renewable energy resources used to meet the REPS requirements.¶

Requires the NC Utilities Commission (Commission) to adopt rules, including (1) allowing a supplier to meet up to 50% of their REPS requirement through energy efficiency; (2) providing for the monitoring and enforcement of the REPS requirements; (3) preventing double counting of resources used to meet requirements in another state; (4) establishing an alternative compliance payment if the cost of REPS compliance cannot be recovered by the power supplier through electric rates (with compliance payments to be credited to a REPS Attainment Fund); and (5) including a procedure as an alternative to the public utility rate-fixing procedure to annually adjust the rates due to the costs of complying with the new statute. The Commission must report by January 15 of each year to the Governor, Joint Legislative Utility Review Committee, and Environmental Review Commission on the Commission's activities and on the power suppliers' progress in complying with the requirements. The first report must be submitted by January 15, 2008. Effective July 1, 2007.

Intro. by Harrison, J. Harrell, Martin.

GS 62