

100% Renewable By 2030 (S2274/H7277): FAQs

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What is a Renewable Energy Standard?

- A Renewable Energy Standard requires electricity suppliers (including the utility company) to purchase increasing quantities of their electricity from renewable sources, such as wind and solar.
- Rhode Island is part of a regional market for electricity. The Renewable Energy Standard recognizes that we need to transition rapidly away from fossil fuels and toward a clean energy economy to address the climate crisis and reduce public health impacts of dirty fossil fuel generation. By requiring utilities and competitive suppliers to support renewable energy, we enable the cost-effective development of renewable generation across the region.
- More than half of U.S. states have some form of a Renewable Energy Standard, and RI's has been in place since 2004. It has helped us reduce emissions from electricity since their peak in the 2000s! But it needs to be updated: RI's current RES would only reach approximately 30% renewable by 2030. That would leave us very off track for our Act On Climate emissions reductions goals.

Can we actually do this? – YES!

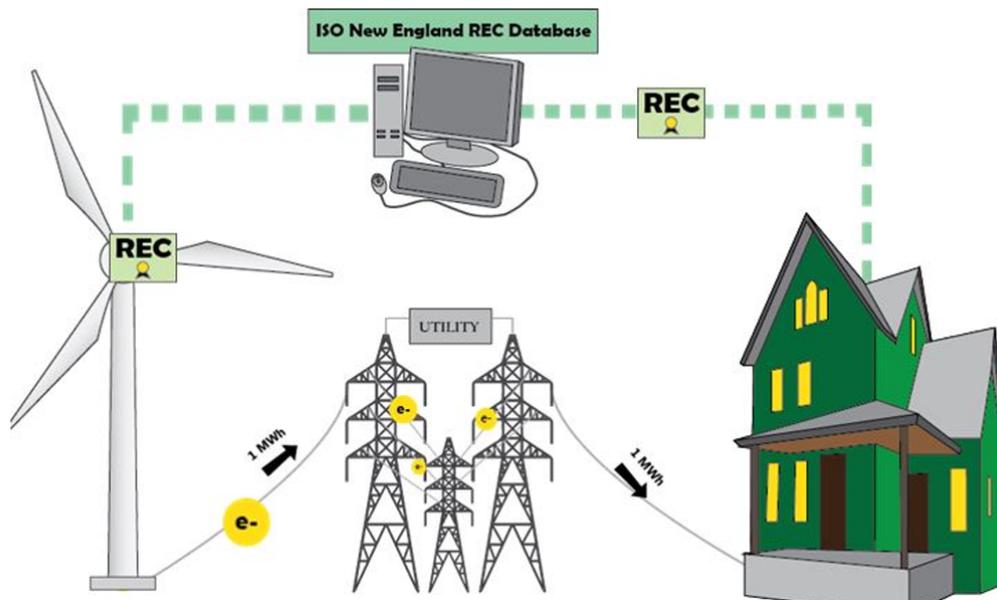
- Rhode Island already has a surplus of renewable energy when compared to the minimum level required by the Renewable Energy Standard, so National Grid is selling renewable energy to other states. This situation will be exacerbated when Revolution Wind comes on-line and as we continue to build solar through the REG and net metering programs.
- With the renewable energy programs & projects currently in place and announced offshore wind project procurements, we are already forecasted to get ~80% of the way to this goal. With some more offshore wind and solar, we can be at 100% by 2030.

How does a Renewable Energy Standard Work?

- **Valuing Clean:** The Renewable Energy Standard incentivizes renewable energy project. For every one megawatt-hour of electricity produced by a qualifying renewable energy project (a solar farm, for example), the generator is awarded one Renewable Energy Certificate (REC), which can be bought either with or separately from the electricity itself.
- **Accountable and Transparent:** The REC system ensures that we're actually getting the renewable electricity we pay for.
- **Boosting the Market:** The RES creates demand for RECs, which sends a signal to the market to boost renewable energy development.

- **Tracking Compliance:** Rhode Island tracks renewable energy certificates using the standard regional system for tracking RECs: the NEPOOL Generation Information System (or NEPOOL GIS). In Rhode Island, RES compliance is monitored by the Public Utilities Commission.
- **Keeping Prices Reasonable:** The Renewable Energy Standard creates a price ceiling for RECs. If the cost to purchase enough RECs exceeds this ceiling, obligated entities can pay an Alternative Compliance Payment (ACP) for each additional REC required. In Rhode Island, these ACPs are reinvested in the Renewable Energy Fund at CommerceRI to support in-state clean energy development.

How a REC is generated & tracked:



Will this affect my electricity bill?

- **Price Cap:** The Alternative Compliance Payment acts as a “price cap.” If, in a given year, not enough low-cost renewable energy is available, energy suppliers can instead choose to pay an Alternative Compliance Payment. This is reinvested into renewable energy through the Renewable Energy Fund.
- **Economic Benefits:** The 100% Renewable Energy Standard brings lots of economic benefits. It will create well-paying local green jobs in energy efficiency, solar, and wind. Setting clear commitments to clean energy will also help attract federal and business investment.
- **Keeping energy \$\$ in Rhode Island:** Rhode Islanders spends well over \$3 billion on volatile fossil fuel energy out-of-state every year. Let’s invest that money into locally-grown clean energy instead.

Where can I learn more?

- **[An Opportunity For RI: Four Bills to Act On Climate](#)** (*Green Energy Consumers Blog, April 2021*)
- **[Getting to 100% Renewable Energy in Rhode Island](#)** (*Green Energy Consumers Blog, Sep. 2020*)
- **[The Road to 100% Renewable Energy by 2030 in Rhode Island](#)** (*Brattle Report Dec. 2020*)
- **Email kai@greenenergyconsumers.org or sue.anderbois@tnc.org!**