

## 3% Yearly RPS Increases Are Feasible and Needed Now

The Renewable Portfolio Standard (RPS) is an important tool to achieve our commitment to a clean energy future. It mandates that a percentage of the electricity delivered each year by the utilities come from renewable sources in our New England region. In 2018 it is 13%, and currently this goes up 1% each year.

### 3% Increases Are Needed Now.

The available data and modeling<sup>1</sup> show that the RPS needs to be significantly strengthened to provide an increased demand for onshore wind and solar, with emphasis on the next 4 years prior to the first offshore wind coming online. This will be a critical time period.

3% yearly increases are needed now to create demand given the current state of supply. This will create 37,000 or more new clean energy jobs in New England in the coming years. Less than 3% increases will stall development of onshore renewables. (If the RPS lags or merely tracks actual development, it achieves nothing.)

### Achieving 3% Annual RPS Increases Is Feasible.



The RPS mandate must be greater than the existing supply, but not so high as to create an impossible target. However, the supply of renewable energy now exceeds the demand created by the current 1% annual increases as seen by the fact that the price of Renewable Energy Credits (RECs) is at an historic low, below

\$20, well below the Alternative Compliance Payment (ACP) price of \$68.95. At these low prices, utilities are buying more than they need, banking them for future compliance. The RPS can be raised to 3% immediately with no impact to ratepayers.

### There Are Numerous Renewable Energy Projects Queued Up To Meet an Increased RPS Demand.

- 3,239 MW of on shore wind proposals in New England were submitted to the 83D RFP. These are specific projects that could be built now.
- The ISO-NE Interconnection Queue lists all manner of projects with all types of fuels that have applied for connection to the grid, but historically only a small percentage of them are built. The Queue contains over 5,500 MW of onshore wind and solar potential development.

### Conclusion.

Under the RPS that has been in effect for the last 10 years, Massachusetts has made significant progress in creating renewable energy facilities and created a clean energy economy with tens of thousands of jobs. Looking ahead, the opportunities for new renewable energy development in the ISO-NE region are significant, and there is a queue of proposed development projects to further realize this potential.

But the RPS needs to be strengthened to have at least 3% yearly increases to create the business assurance needed for financing continued renewable development in our region. Without this, development will stall in the immediate upcoming years. Even without the advent of offshore wind, the supply of renewable energy has outpaced the current 1% RPS increases. The legislature needs to act now to increase the RPS to 3%.

<sup>1</sup> The supporting data is <https://www.dropbox.com/s/6wg05xk9gl4ndaz/RPSfeasible.pdf?dl=0>