

Table D-1. State Public Benefits Funding for Energy Efficiency, Renewables, and R&D (as of December 2004)

State	Efficiency	Renewables	R&D	Status	Renewables Uses and Eligibility	Comments
Arizona	<ul style="list-style-type: none"> \$9 million/yr ~0.13 mills/kWh average through 2012 	<ul style="list-style-type: none"> \$18 million/yr ~0.26 mills/kWh average through 2012 		<ul style="list-style-type: none"> Commission Decision and Amended Rules On Electric Competition 1996 (http://www.cc.state.az.us/rules/elec.htm) Rulemaking complete (Decision nos. 63364 and 63486) (http://www.cc.state.az.us/utility/electric/environmental.htm) 	<ul style="list-style-type: none"> In-state solar electric and thermal, wind, biomass, and landfill gas. Solar facilities for schools, cities, counties and state agencies. 	<ul style="list-style-type: none"> SBC funds can be used to help meet RES.
California	<ul style="list-style-type: none"> \$228 m/year for 14 years, plus adjustment for lesser of inflation or load growth 1.3 mills/kWh 	<ul style="list-style-type: none"> \$135 million/year for 14 years, plus adjustment for lesser of inflation or load growth 0.8 mills/kWh 	<ul style="list-style-type: none"> \$62 million/yr for 14 years, plus adjustment for lesser of inflation or load growth 0.4 mills/kWh 	<ul style="list-style-type: none"> 1996 restructuring law (AB 1890 www.leginfo.ca.gov/bilinfo.htm) 2000 law extended (www.energy.ca.gov) 2000 law extended funding for 10 more years through 2012 (AB 995/SB 1194) Over 1,000 MW of new renewables accepted in first 2 auctions. CEC released new draft investment plan in 6/01. 	<ul style="list-style-type: none"> Non-utility, in-state solar, wind, biomass, geothermal, MSW, tidal, wave, fuel cells (renewable fuels) and small hydro (30 MW or less) Separate renewables funds for existing (20%), new (56%), emerging (22%), customer incentives/green power market and education (2%). Production incentives, project financing and customer rebates. 	<ul style="list-style-type: none"> Renewables and R&D administered by CA Energy Commission. Efficiency by utilities/collaborative. Public utility funding of \$125 million/year not included. 2002 RES law authorizes CEC to use SBC funds to buy down above-market costs of renewables to meet RES requirements.
Connecticut	<ul style="list-style-type: none"> 3 mills/kWh ~\$87 million/year average through 2012 Fund reduced by approx. 50% in FY04 and for next 7 years to pay back bonds issued to cover state budget deficit. 	<ul style="list-style-type: none"> 0.5 mills/kWh in 2000 0.75 mills in 2002 1 mill in 2004 ~ \$25 million/year average through 2012 Fund reduced by approx. 33% in FY04 and for next 7 years to pay back bonds issued to cover state budget deficit. 		<ul style="list-style-type: none"> 1998 restructuring law (H 5005; Public Act 98-28 www.cga.state.ct.us/ps98/a/cf/pa/pa%2D0028.htm) Some renewables funds have been distributed 	<ul style="list-style-type: none"> Solar, wind, ocean thermal, wave, tidal, landfill gas, low emission biomass, fuel cells. Economic development and renewables for customers. May invest in renewable projects outside of state. 	<ul style="list-style-type: none"> Renewables admin. by Connecticut Innovations (Econ. Development) Efficiency by utilities/collaborative CT legislature issued \$50 million state bonds to help offset FY04-05 budget deficit. Bonds will be paid back with revenue from the Clean Energy Fund over 7 years.

Source: Updated from *Powerful Solutions: Seven Ways to Switch America to Renewable Electricity*, Union of Concerned Scientists, January 1999, available on-line at www.ucsusa.org/clean_energy/index.cfm (tables updated December, 2004). Contact: Jeff Deyette at (617) 547-5552 or jdeyette@ucsusa.org.

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Delaware	<ul style="list-style-type: none"> 0.095 mills/kWh (approx. \$800,000 annually) is collected to fund low-income fuel assistance and weatherization programs 0.178 mills/kWh (approx. \$1.5 million annually) for conservation and energy efficiency programs. 	<ul style="list-style-type: none"> \$1 million/yr maximum from public benefits fund toward energy alternative (renewables) program. 		<ul style="list-style-type: none"> 1999 restructuring law (26 Del. C. § 1014 - 1999 HB 10) 2000 Senate resolution created Energy Alternatives Program (7 DE Reg. 1529-1538 (1/1/02)) 	<ul style="list-style-type: none"> Solar Water Heat, Solar PV, Wind, Geothermal Heat Pumps 	<ul style="list-style-type: none"> Administered by the Delaware Economic Development Office Energy alternatives program provides up to 35% rebates on qualifying systems.
District of Columbia	<ul style="list-style-type: none"> Authorization to collect from electric consumers up to \$8 million/year for FY01-04, rising to as much as \$20 million/year in FY05 and after for low-income assistance, energy efficiency, and renewable energy programs. 			<ul style="list-style-type: none"> 1999 Retail Electric Competition and Consumer Protection Act 3 programs, all for low-income assistance, have been implemented (\$2.2 million/yr) No energy efficiency or renewable energy programs have yet been approved by DC PSC. 	<ul style="list-style-type: none"> Solar Water Heat, Solar PV, Wind, Geothermal Heat Pumps 	<ul style="list-style-type: none"> Established Reliable Energy Trust Fund administered by the DC Energy Office (DCEO) Programs must be approved by DC Public Service Commission. Residential Aid Discount Customers exempt from surcharge. In July, 2003 DCEO issues report stating that the intent of the 1999 legislation is not being carried out.
Illinois	<ul style="list-style-type: none"> \$3 million/year ~.03 mills/kWh 10 years residential DSM 	<ul style="list-style-type: none"> 50¢/month for res. and small commercial; \$37.50/month large comm. charge ~0.04 mills/kWh matched w/gas co. funding = \$5 million per year for 10 years 	<ul style="list-style-type: none"> \$5 million/yr for "clean coal" R&D 	<ul style="list-style-type: none"> 1997 restructuring law (HB 362, HB 1817, SB 56) http://www.legis.state.il.us/legislation/legisnet90/90gatoc.html Fund distribution began in 1998, projects include solar PV & thermal systems, landfill gas projects, and two utility-scale wind facilities. 	<ul style="list-style-type: none"> Rebates for consumer PV and solar thermal systems. Grants for wind, solar thermal, PV, dedicated energy crops, organic waste biomass, and existing or run-of-river hydro. New and existing projects eligible. 	<ul style="list-style-type: none"> Administered by Department of Commerce and Economic Opportunity. Chicago fund of \$100 million over 4 years est. as part of settlement with Com Ed.

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		<ul style="list-style-type: none"> \$225 million Illinois Clean Energy Community Foundation (formerly the Clean Energy Trust Fund) Expenditures, based on revenue generated from the fund's endowment, range from \$10-15 million/yr, with \$3-4 million/yr allocated to renewable energy programs. 		<ul style="list-style-type: none"> Established in May 1999 as a one-time voluntary contribution by Commonwealth Edison resulting as part of a merger settlement. 	<ul style="list-style-type: none"> Wind, solar, solar thermal, biomass, fuel cell, and emerging renewable technologies. Consumer demand, policy development supporting large-scale facilities, and demonstration projects. PV receives up to \$2,000 per kW with a max capacity of 50 kW; Wind receives up to \$500 per kW with a max capacity of 20 kW 	<ul style="list-style-type: none"> Administered by IL Clean Energy Community Foundation. (http://www.illinoiscleanene.org) Other programs include energy efficiency and the protection of natural areas. Funding is not available for individuals, only non-profits, state and local govt. agencies, and educational institutions. In 2001 and 2002, over \$17 million in grants were awarded to renewable and efficiency projects
		<ul style="list-style-type: none"> Authorization for \$500 million of new state revenue bonding. 		<ul style="list-style-type: none"> 2001 Resource Development and Energy Security Act (HB1599) http://www.legis.state.il.us/egislation/legisnet92/status/920HB1599.html No bonds have been issued to date. 	<ul style="list-style-type: none"> Creates low-interest financing for new renewable energy facilities including wind, solar thermal energy, PV, dedicated energy crops, organic waste biomass, and existing run-of-river hydro. 	<ul style="list-style-type: none"> Can be combined with funds available from existing programs. Bonds are not tax exempt.
Massachusetts	<ul style="list-style-type: none"> 3.3 mills/kWh declining to 2.5 mills/kWh over 5 yrs Averages 2.9 mills, \$125 million/yr 	<ul style="list-style-type: none"> Averages 0.95 mills/kWh first 5 years = \$40 million per year 0.25 mills dedicated for MSW pollution controls or retirement 0.5 mills thereafter (no MSW) ~\$20-\$25 million/yr 		<ul style="list-style-type: none"> 1997 restructuring law (Chapter 164 of the Acts of 1997 www.magnet.state.ma.us/legis/laws/sselaw97/s1970164.htm) Legal challenge that put hold on fund distribution ruled in favor of law in 4/00. Strategic plan released 6/00. RFPs issued on continuing basis. Distribution of resources under way. 	<ul style="list-style-type: none"> New solar, wind, ocean, advanced biomass, fuel cells, possibly DSM and distributed generation Six program goals: Green power development, green policy development, RE industry support, education & public awareness, community outreach & siting, and green buildings & schools 	<ul style="list-style-type: none"> RE Trust Fund administered by Mass. Tech. Park. Efficiency by utilities/collaborative. IOU customers only. Municipal aggregators can access. \$17 million removed from Renewable Energy Trust Fund to help cover state budget deficit in FY03.

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Minnesota	<ul style="list-style-type: none"> \$4.5 million in 1999, rising to \$8.5 million/year in 2003, rising to \$16 million/year in 2004 for renewables (\$10 million – \$2 million/year from 2004-2008 – is allocated from the fund for clean coal R&D) 			<ul style="list-style-type: none"> 1994 Radioactive Waste Management Facility Authorization (MN Stat. 216B.2423) Leg. clarified law in 5/99 (http://www.revisor.leg.state.mn.us/stats/216B/2423.html) RWMFA Law amended in May 2003 (HF9, 2003 1st Special Session). 	<ul style="list-style-type: none"> Wind, solar, biomass and run-of-river hydro with head less than 66 feet. New projects above and beyond those already required by law; preference for in-state and Mdewankanton tribe projects. 	<ul style="list-style-type: none"> Requires NSP to contribute \$500,000/year for each nuclear waste cask stored at Prairie Island beyond 1998. NSP controls fund, subject to approval by PUC and governing committee. Law amended in May 2003 increasing Xcel's contribution to \$16 million/year while the plant is in operation 1.5 cents/kWh payment for wind projects under 2 MW
Montana	<ul style="list-style-type: none"> 2.4% of 1995 retail sales as the initial funding level for 1999 for low-income, energy efficiency, renewables and R&D. Annual funding from 2000-2005 based on equivalent fixed charges per customer. ~\$14.9 million/yr (1.1 mills/kWh) Efficiency = ~\$9 million/yr Renewables = ~\$2 million/yr (based on Northwestern Energy, formerly Montana Power, allocation) 			<ul style="list-style-type: none"> 1997 restructuring law establishes Universal System Benefits Program (USBP) (www.psc.state.mt.us/gasel/ec/mcaelec.htm) Regulations are complete. HB 509, signed by Governor in May 2003, extends USBP by 2.5 years, through 2005. (http://data.oui.state.mt.us/bills/2003/BillPcf/HB0509.pdf) 	<ul style="list-style-type: none"> Renewables that provide transmission and distribution benefits eligible. Funding allocated towards buy-downs for central wind generation facilities; several PV projects also completed. 	<ul style="list-style-type: none"> Fee assessed on utilities, cooperatives, and large customers with loads >1 MW. Utilities and large customers can receive credits towards SBC funding requirements through renewable energy power purchases, or that support renewables. Gov. signed (May 2001) SB506 establishing a revolving loan fund to promote development of renewable energy sources. The fund is supported by penalties from clean air violations in the state.
New Jersey	<ul style="list-style-type: none"> 1.8 mills/kWh for energy efficiency and Class I renewables for first 4 years; 2.1 mills/kWh next 4 years (min. of \$107.5 million/yr through 2008). 75% of funds for efficiency (~105 million/yr avg) 25% of funds for Class I renewables (~\$35 million/yr avg) 2001 BPU Order sets initial 3 year (2001-2003) funding level at \$358.5 million (75% for efficiency, 25% for Class I renewables). 			<ul style="list-style-type: none"> 1999 restructuring law (AB 16) (http://www.njleg.state.nj.us/9899/Bills/a199/23.htm) NJBPU final order and decision issued 3/01. (http://www.bpu.state.nj.us/cleanEnergy/cleanEnergyP rog.shtml) 	<ul style="list-style-type: none"> Class I renewables (wind, PV, solar thermal, biomass, fuel cells, LFG, wave/tidal, and geothermal). Allocation of renewable energy funds is 60% customer-sited, 40% grid supply in 2001, and split 50/50 each year thereafter. 	<ul style="list-style-type: none"> Funding determined and administered by the N.J. Board of Public Utilities. Clean Energy Council established by the BPU in 2001 to provide review and guidance. SBC funds can be used to help meet RPS. BPU determines funding level after 2008.

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New York	<ul style="list-style-type: none"> 0.6 – 1.0 mills/kWh per utility; avg. ~0.7 mills ~\$78 million/yr for 3 years (1999-2001) Efficiency = 67%; renewables/R&D = 18%; low-income = 14% \$17 million over three years for renewables (including \$4 million from Niagara Mohawk) Fund extended at \$150 million/yr for 5 years. \$70 million over 5 years for renewables, including \$47.5 million for wind power, and the rest for biomass and solar. 			<ul style="list-style-type: none"> 1996 PSC order 96-12 Case-by-case regulatory review 1998 PSC order required SBC funding 2001 PSC order extended fund for 5 years (CASE 94-E-0952). RFPs issued on continuing basis. Through 2002, funding issued for 7 wind projects and nearly 150 residential and commercial PV systems. 	<ul style="list-style-type: none"> Wind, solar, biomass. Competitive bidding by technology. Funding programs include grants, loans, guarantees, investments, buy downs, and rebates. 	<ul style="list-style-type: none"> Administered by New York State Energy Research and Development Authority (NYSERDA) Program status report released in May 2003. Long Island Power Authority also providing \$32 million over 5 yrs (1999-2003) for efficiency, renewables and clean distributed gen. 6/10/01 Executive Order mandates state buildings get 10% of electricity from renewables by 2005 and 20% by 2010.
Ohio	<ul style="list-style-type: none"> \$100 million over 10 years starting in July 2001, not to exceed \$15 mil/yr through 2005 and \$5 mil/yr after 2005. Revolving loan fund for energy efficiency (~75%) and small-scale renewable energy systems (~25%) 			<ul style="list-style-type: none"> 1999 restructuring law (SB 3) 	<ul style="list-style-type: none"> Solar, Wind, Biomass, Hydro, LFG, Renewable Transportation Fuels, Geothermal, Fuel Cells, MSW, Cogen, Microturbines, Energy Efficiency Below market rate loans and loan guarantees 	<ul style="list-style-type: none"> Administered by Ohio Department of Development (http://www.odod.state.oh.us/cdd/oee/energy_loan_fund.htm)
Oregon	<ul style="list-style-type: none"> 3% of revenues for 10 years starting Oct. 2001 from all providers offering retail access (~\$50 million/yr from IOUs only) Efficiency = 63%; Renewables = 19% (~\$9.5 million/yr); low-income = 13%; Housing and Community Service grants = 5%. 			<ul style="list-style-type: none"> Law SB 1149 (1999) http://www.leg.state.or.us/99reg/measure/sb1100.dif/sb1149.en.html Distribution of funds began in 2002. 	<ul style="list-style-type: none"> Covers above market costs of new renewables including wind; waste; solar; geothermal; low-emission nontoxic biomass based on solid organic fuels from wood, forest and field residues; dedicated energy crops; landfill and digester gas; hydro located outside of protected areas as defined by Federal law. 	<ul style="list-style-type: none"> Public utilities will begin collecting SBC as each customer class receives access. Many large public utilities already collect more than 3% of revenues from customers for public purpose activities. Residential customers will remain regulated and aggregated, but will have access to a portfolio of choices including a green rate. Fund administered by the Energy Trust of Oregon (http://www.energytrust.org)

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Pennsylvania	<ul style="list-style-type: none"> \$77.8 million sustainable development fund for renewables, energy efficiency and economic development from 1999-2006 (~\$5.5 mil/yr for renewables plus Low-Income Renewable Energy Pilot Fund of \$3.86 million/yr for 1999 and 2000). 			<ul style="list-style-type: none"> Four utility settlements: PECO, PP&L, Allegheny Power and GPU (now FirstEnergy) 	<ul style="list-style-type: none"> Wind, solar, biomass and landfill methane for sustainable development fund; 50% of funds for renewables and efficiency and 50% for economic development. Low-income pilot for solar hot water and PV (215 installations in 1999-2000). 	<ul style="list-style-type: none"> PECO's Sustainable Development Fund administered by the Reinvestment Fund.
Rhode Island	<ul style="list-style-type: none"> 2.3 mills/kWh 1997-2012, (2.0 mills/kWh for DSM programs and 0.3 mills/kWh for renewables) ~\$17 million/yr, with 2.5 million/yr for renewables 			<ul style="list-style-type: none"> Utility Restructuring Act of 1996 (RI 96-H8124B http://www.ripuc.org) House Bill 02H7786 (http://www.state.ri.us/02SESSION/BILLS/02-7786.htm) RFP process has funded resource assessment and PV projects. 	<ul style="list-style-type: none"> Wind, solar, sustainable biomass, existing hydro 100 MW or less. 	<ul style="list-style-type: none"> SBC extended 10 years to 2012 (June 2002) Administered by State Energy Office. \$5 million removed from the renewable energy fund in June 2003 to help offset state budget deficit.
Wisconsin	<ul style="list-style-type: none"> \$62.3 million/yr for energy efficiency, renewables (4.5%) and environmental R&D (1.75%). (~1.3 mills/kWh) 28% (\$17.6 million) cut to total budget in FY04, and 47% (\$27.4 million) cut in FY05 			<ul style="list-style-type: none"> Law Reliability 2000, in state budget Draft plan released by DOA in 11/00. http://www.doa.state.wi.us/docs_list.asp?doccatid=36 	<ul style="list-style-type: none"> Funds directed at promoting environmental protection, electric system reliability or rural economic development. Incentives, cost-sharing, & financing for customer applications, education, R&D, resource assessment. 	<ul style="list-style-type: none"> Administered by Dept. of Administration. Requires DOA to establish requirements and grant application procedures Fees collected from IOUs, RECs and MUNIs, based on flat fee per customer class. Some program administrators selected. FY04 state budget cuts the fund by a total of \$45 million over two years.
Estimated Total for Renewables		\$4.03 billion by 2017 ~\$291 million/yr*				

*Reflects the sum of the annual average of each fund. Since funds have different durations, actual annual funding amounts will vary.